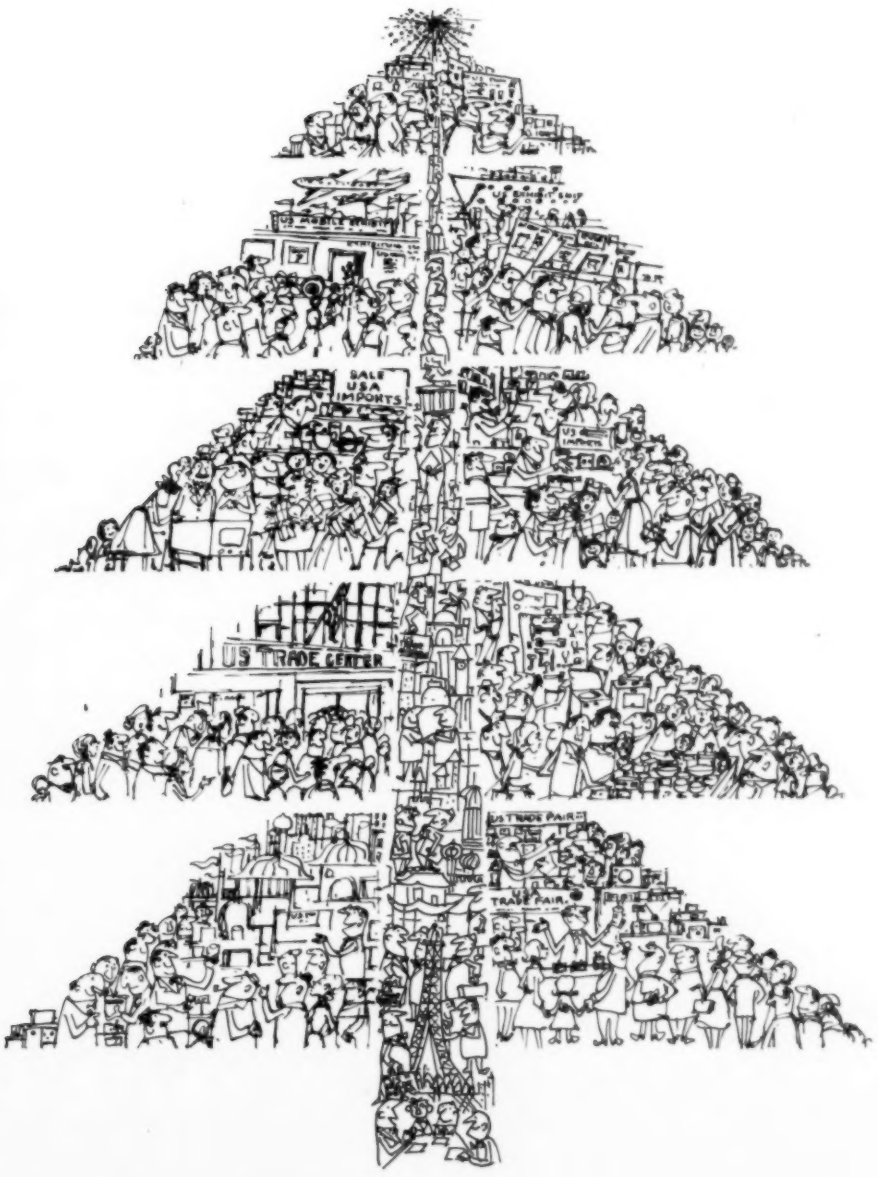
A U.S. DEPARTMENT OF COMMERCE WEEKLY

International Commerce

December 23, 1968



International Trade Winds Newsletter

Company News

PETROCHEMICALS—The Lummus Co., Bloomfield, N.J., will supply process technology and technical advice to Petroleos Mexicanos (PEMEX) of Mexico during the construction of a new 400 million pound per year ethylene plant being built for PEMEX near Coatzacoalcos, Veracruz, Mexico. The plant will use Lummus's proprietary ethylene process to extract 99.9% pure ethylene from an ethane feedstock. Five Lummus designed furnaces will be included in the new plant, with completion of the facility scheduled for early in 1970.

MATERIALS HANDLING EQUIPMENT—Dravo Corp., Pittsburgh, Pa., has signed ten-year license agreements with five European heavy equipment manufacturers authorizing the companies to design, manufacture, and sell Dravo bulk commodity ship unloaders. The agreements are with Ashmore, Benson, Pease & Co., Ltd., Stockton-on-Tees, England; Pohlig-Heckel-Bleichert Vereinigte Maschinenfabriken, A.G., Cologne-Zollstock, Germany; Hensen-Rotterdam, N.V., Rotterdam, Netherlands; Societa Italiana Impianti, S.p.A., Genoa, Italy; and Societe Fives Lille-Cail, Paris, France. The license agreements give the European companies exclusive rights to manufacture Dravo-designed unloaders in their respective countries and non-exclusive rights to sell the equipment anywhere in the world except in the United States, Australia, Canada and Japan.

COMMUNICATIONS—General Telephone & Electronics International, Inc., New York, a subsidiary of General Telephone & Electronics Corp., has been awarded a $2.3 million contract to supply a 745-mile microwave communications system in northeastern Brazil. The system will provide four regional capitals on the Atlantic Coast with their first national television reception, and will also greatly increase telephone communication capabilities. GT&E's Italian subsidiary has designed the system, and will provide the electronic equipment involved, while the Brazilian GT&E subsidiary will handle construction of necessary towers and other buildings. Completion is scheduled by early in 1970.

Trade visitors from 20 countries outside of Germany came to the Laser Equipment exhibition at the Frankfurt U.S. Trade Center, according to the early reports on this December event. Symposium sessions presenting 27 technical papers on laser use drew standing-room-only crowds. It was the first Commerce-sponsored exhibition on this theme, and said to be the largest assembly to date of laser equipment makers for display purposes. The exhibitors are asking the Trade Center for a repeat show within the next year. Expected sales over the next year as a result of the exhibition are close to $2 million.

First-rate industrial motion pictures from the U.S. continue to have solid impact at the Bangkok U.S. Trade Center. Forty of these films were shown as a part of the Materials Handling Equipment show at the center in October, and then held over at the request of the local business community. The films were kept to the limit of promised return dates, and more than 1,000 Southeast Asia businessmen saw them in 27 showings.

Cleanup time in Beirut was a five-week display period at the U.S. Sample Display Center there. The Lebanese agent for Eureka household vacuum cleaners and American Lincoln commercial floor cleaning items expects a $25,000 increase in business over the next six months as a result of the show. The agent, Electro-Magic, supported the display by sending 2,000 invitations and preparing ads in three leading Beirut dailies. The Center also sent announcements to 2,900 Lebanese business houses.

Calls on blue ribbon buyers and users of water purification and desalination equipment have been underway in Italy as a preamble to the PURAQUA show of such equipment that Commerce Department is staging in Rome Feb. 17-23. Such calls will also be made in France, Germany, the Netherlands, United Kingdom, Greece, Portugal, Spain, Yugoslavia, North Africa and the Middle East. Object: to encourage significant attendance at the concurrent exhibition and technical conference.

An all-plastic auto body of the future, Borg Warner's "Formacar," will be an attraction at the U.S. Exhibition at EUROPLASTICA in Brussels March 22-30. The story of the Formacar, according to its sponsors, is that it represents an 85% cost in materials and 15% in labor, while a metal body is said to represent just the reverse.

NOTICE: This information is offered to preview or provide informally brief and varied comment on Bureau of International Commerce worldwide export and investment promotions. It is not final and does not substitute for detailed know-how and analysis in our regular news columns.

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the cover

A Christmas tree that promotes U.S. exports represents the season's greetings from the staff of INTERNATIONAL COMMERCE to its subscribers. The various aspects of the Commerce Department trade expansion program form the branches: Sample Display Centers, Mobile Trade Fairs, America Weeks consumer goods displays in department stores, the six U.S. Trade Centers overseas, U.S. Commercial Exhibitions at major trade fairs or in special exhibit sites around the world. The department's Trade Missions are dramatized in the trunk.

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Volume 74
Number 52

International Commerce

Published by
BUREAU OF INTERNATIONAL COMMERCE

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WORLD TRADE ANALYSIS

What metric study means

Commerce Department official points to varied impact of change on international activity

By JOHN F. KINCAID
Assistant Secretary of Commerce for Science and Technology

If our use of the inch and the pound weakens our position in world markets and hampers international cooperation, it is time for a change.

There is much evidence that this is the case. In science, use of the metric system is universal. Engineers are showing a strong trend toward metric usage. Several of our industries closely dependent upon scientific research—for example, optics, electronics and pharmaceutical—have already converted entirely to the metric system. Some major companies which depend heavily upon exports have adopted the temporary expedient of a dual system. Great Britain frankly admits that problems of trade with metric countries supplied the primary motive for undertaking the mammoth task of conversion.

But there has been strong opposition to any such shift in the United States. Despite the massive world trend, some experts still believe that, if we persist, the inch and the pound will eventually prevail because of the sheer magnitude of our industrial production. Others are opposed because of the cost and disruption which would be involved in a complete conversion to the metric system. Still others favor a compromise which would see us retaining our traditional sizes and many of our measurement standards, but expressing them in metric language.

These ideas must be carefully considered. Conversion to the metric system would have been comparatively easy and inexpensive a century ago when its use was officially made legal in this country. Today, conversion to metric sizes as well as metric language would be costly in both money and man hours. "How costly?" will be the question for the study authorized by the Congress on Aug. 9 to answer.

There is reason to believe, also, that we can encourage greater international use of our customary product sizes and shapes. In industries where U.S. technology has been dominant, as in automobile tires, oil drilling and fasteners, metric countries have already moved far toward adopting U.S. sizes and standards. Particularly significant has been the trend in screw fasteners where the ABC screw thread system is generally acknowledged to be the most sophisticated ever developed. The use of this system for high precision fasteners, such as those used in the aircraft industry, is accepted throughout the world, and its specifications are now incorporated in International Organization for Standardization Standards.

But the arguments on the side of conversion are persuasive. The relationship among metric units is logical and simple. Engineering as well as scientific calculations can be made much more readily and with less chance of error than in a system where elaborate conversion factors must be employed.

The fact that the metric system is a decimal system makes it easy to use. Its units are derived from physical laws, and are compatible. For example, in the metric system the unit of power is the watt, no matter whether the power source is mechanical, thermal, electric or nuclear. This contrasts with U.S. customary usage, where there are several different units of power, each of which is arbitrary and unrelated to the others.

This logicality and simplicity also makes the metric system easy to learn. Educators estimate a substantial saving in learning time for arithmetic, due in part to the elimination of conversion factors.

But the most powerful argument is the growing difficulty of selling products based upon the inch and the pound in a world market dominated by the meter and the kilogram.

The frustrating fact is, however, that we do not know with certainty how important these factors are. We do not have a clear picture of the danger to our economy as the rest of the world goes metric. If the danger is real, and some move is desirable, we do not have hard facts on which to base a decision between complete conversion and a compromise. We do not have a clear picture of the costs involved, the problems which would be encountered, the method of implementation, or the timetable.

It was this lack of knowledge which led the Department of Commerce to support a preliminary study in great depth, and it was this same lack of knowledge which led the Congress to authorize its study.

In anticipation of the passage of the metric study legislation, a planning study was initiated by the Department's National Bureau of Standards on Feb. 12, 1968. The purpose of this preliminary work was to establish liaison with other government agencies; find sources and availability of information; evaluate the reliability of the data; and determine what cooperation we could expect from industry.

We know, now, that industry is highly aware of the importance of the problem and will cooperate. We know that there is a great body of data available for study in the area of international trade, and in the experience of other countries who have shifted or are shifting to the metric system. We know that we will have the full cooperation of other agencies, particularly the Business and Defense Services Administration (BDSA) and the Bureau of the Census, in the Department of Commerce, and the Department of Defense.

BDSA has a staff of economists and engineers who have specialized in the major industrial groups, and can supply much needed guidance in developing accurate industrial classifications.

We expect substantial benefits from the facilities at the Bureau of the Census, the information which is available there, and the techniques and mechanisms which they have developed for conducting special censuses on selected industries.

Several contacts have been established in the Department of Defense, particularly in connection with the development of the all-metric MAVERICK missile. The experience of the Air Force in connection with this development will provide inputs of great value in our full-scale study. Furthermore, DoD has agreed to continued cooperation as the study progresses.

In private industry, we have established contact with leading engineers in more than 20 large industrial companies which would be most immediately and critically

This article is adapted from an address given in Chicago this month by Secretary Kincaid to the Research Director's Association.

affected by a shift to metric usage. These companies are well aware of the problems resulting from the world-wide metric trend, and have made it clear that they will cooperate with the study to the best of their ability.

Special mention might be made of a meeting we held with the medical, scientific and technical book publishers group of the American Book Publishers Council. They are greatly concerned with the metric trend as it affects the sale of their books abroad. The Council will be of great asssitance to us in acquiring information on the extent of metric education in the United States, and on the educational problems which would result from conversion to the metric system, or adoption of the metric language.

One of the most significant contacts of this early phase of the study was a conference arranged with Sir Anthony Bowlby, manager of G.K.N. Bolts and Nuts, Ltd., and former president of the British Standards Institute. In this meeting the problems encountered by the British as they convert to the metric system were discussed, and considerable light was thrown on the problems this country is likely to face whatever our final decision may be.

Arrangements have also been made for a meeting with members of the Interdepartmental Committee on the Metric System in Canada on June 25 to exchange information and explore possible Canadian-U.S. coordination.

On the basis of our pilot studies, it seems clear that the use of the metric system is increasing in the United States. It is most pronounced in scientific and technical circles, where there is a strong trend toward the use of pure international system units; but there is also a marked increase in metric usage in the large industrial companies which have operations abroad. We have found a growing use of metrics, too, in smaller companies which are seeking to become more competitive in foreign markets.

Leading industrialists who have studied the problem now are inclined to believe that this trend will continue, with the pace of conversion determined by economic considerations. There also seems to be a consensus that the minimum costs and the maximum benefits will be achieved if the manner and pace of conversion is planned, rather than haphazard.

The impact of metrication on everyday life is also being explored by the study group. Probably three-quarters of the adult population in the U.S. do not know what the metric system is, much less how to use it. We see no insuperable problems, but the shift to metric usage will affect everyone from the schoolboy learning arithmetic, to the engineer solving a design problem.

INTO THE COMMON MARKET, A METRIC AREA, goes this shipment of paint concentrates produced at the Lake Zurich, Ill., plant of Illinois Bronze Powder & Paint Co. European Aerosols of the Netherlands, as the U.S. firm's licensee, will package the product for European distribution. Impact of metrication on packaged goods, among other categories of exports, is described in accompanying article.

Since the heaviest impact of metric conversion would be on business and industry, however, we have directed most of our efforts in this direction. For example, we have developed a preliminary classification of industries according to the degree to which metrication would affect them. This classification will require extensive refinement, but it may be of interest to you in its present form.

NEGLIGIBLE IMPACT: These industries would need only to convert bulk product quantities from pounds to kilograms, gallons to liters, etc., or do nothing. Examples: agriculture, forestry and fishing, and mining.

TRIVIAL IMPACT: These industries would need only to re-label or provide dual labels for package goods; re-describe products in metric language; and readjust machines to nominal metric sizes. Examples: textile mill products, lumber and wood products.

MODERATE IMPACT: These industries would need to change stated software dimensions, some measuring devices, and parts of tools such as rollers and dies. Other problems could be solved by conversion charts. Examples: primary metals industry, cutlery, hand tools, general hardware.

SUBSTANTIAL IMPACT: In these industries screw machines would have to be changed, stock sizes would have to be changed, and basic decisions would have to be made on fasteners. Examples: machinery, non-electrical; machinery, electrical; and machinery, transport.

SEVERE IMPACT: In these industries change would be highly disruptive, and probably inadvisable. Fortunately, in some of the major industries in this class nonmetric practice is already accepted on a world-wide basis. Examples: oil field machinery and air transportation.

Thus we have made some progress in our study, but much work remains to be done. In fact, we have barely begun. The other industries must be classified; the cost of conversion must be laboriously worked out from individual company sources; and the pros and cons of conversion weighed against the experience of other countries who have already made the shift to the metric system.

As for the impact of our non-metric isolation on our position in world trade, a thorough analysis must be made before we can come to any hard conclusion. But preliminary results provide food for thought. In the period 1960-1966, the U.S. share of total exports to metric countries dropped approximately 16%, while our share of exports to non-metric countries increased approximately 11%. In the critical category of machinery and transport equipment, our share of exports to the

metric countries dropped approximately 25%, while our share of total exports to the non-metric countries rose by approximately 10%.

The reasons for this imbalance are not yet clear. While it appears likely that at least a portion of the drop in trade with the metric countries is due to non-metric usage in the U.S., the actual causes and their relative impact can only be ascertained through more thorough study.

Another question which must be answered is whether or not there is a relation between lost trade in substantially affected industries, and lost trade in less affected industries. Is it possible, for example, that a country unable to buy metric machinery from the United States will tend to make other purchases elsewhere as well? Such questions are difficult, but they must be answered.

A strong indication of the study so far conducted is that we need to move not only to metric measurement, but also in some cases to the use of metric modules. Some have thought that an adequate solution might be found in converting our inch based modules to metric measurements. But it seems that this will not completely remedy the difficulties encountered by many of our manufacturers. In order to compete in metric markets it may be necessary for American manufacturers of such products as ferrous and non-ferrous rods and plates to go the whole way. They will have to produce an adequate supply in ISO standard sizes for manufacturers who are accustomed to using these specific sizes in their finished products.

Dualism temporary

Dual dimensioning can be used as a transitional makeshift, but it is doubtful that it can be a satisfactory final answer.

However, early indications are equally strong that in some limited areas U.S. modules will be preserved. It seems unlikely that the oil field industry, whose American standards are used throughout the world, could ever be persuaded to go to metric standards, even if the dimensions of the parts are expressed in nominal metric language. It is also unlikely that the aircraft manufacturing industry would give up its U.S. standards, which are highly developed and enjoy world acceptance.

It is too early for a meaningful prediction, but I would guess that the line of development will be an increased use of metric language to express dimensions and performance characteristics; increased use of ISO standards for stock sizes in many industries; and retention of inch-based modules in those industries whose standards have already won acceptance around the world.

International standardization vital to export expansion, USASI told by Commerce Department official

U.S. and foreign businessmen, standards authorities concur on need of product uniformity; disagree on U.S. metric switch

U.S. participation in the development of international standards is essential to insure American businessmen an equal footing in the expanding world market, Archie M. Andrews, Deputy Director of the U.S. Commerce Department's Bureau of International Commerce, said at the USA Standards Institute's 50th anniversary meeting in Washington, D.C.

Speaking of the Government's responsibility "to use its influence to seek preventive and remedial action in instances where disparate national standards discriminate against U.S. goods," Andrews stressed that it was equally important that "we lend our expertise to the solution of broader standardization issues and support the work of the USA Standards Institute."

Technology and standards

The Commerce Department official reviewed U.S. export performance in recent years to observe that the fields of greatest growths—high-technology manufactures—are precisely the areas where international standards are of most importance.

In these areas, he said, "standards are the channel for industry response to technological advancement and consumer requirements. While standards can aid the producers of one country to mesh the requirements of their foreign buyers with their production capabilities, they also can have the effect of arbitrary national restrictions which protect local producers against foreign competition."

He also said: "We can influence international standards for the better by the kinds of standards we adopt in our own country. Domestic standards that put foreign-made products at a serious competitive disadvantage for reasons that have nothing to do with quality or performance may tend to encourage similar actions in other countries."

He noted that Assistant Secretary of Commerce John F. Kincaid, surveying U.S. participation in international standards as of the end of 1966, found that the U.S. did not have representation on 40 of the International Organization for Standardization's 114 technical committees and held only 10 secretariats. In contrast, the Common Market countries held 46 secretariats, 20 by France alone. Dr. Kincaid found that the U.S. is particularly backward in ISO technical committee activity in a number of industry sectors where it holds major trade interests. By the end of 1967, according to the ISO annual report, there were 124 committees and the number of U.S. held secretariats stood at 12.

He commented: "The picture has not improved significantly in the last 10 months despite the efforts which are being made. International standards work is expanding at so great a rate, and its costs are mounting to such a degree, as to raise doubts whether wholly voluntary financial support can carry the work effectively.

"In order to help meet this problem the Department of Commerce has urged enactment of legislation to enable the Department to make funds available to support the activities of private standardization groups through grants and contracts. This legislation was not enacted. I think it deserves your consideration, however, as an approach which would make it possible for U.S. representation to exist in the international standards-making process wherever it is vital to our interests that it should.

"The strength of our standards machinery is its private voluntary nature. We seek to preserve this advantage and therefore any official aid and cooperation should be supplementary to the major effort, which can only flow from the know-how and technical staffing of private firms and standards organizations."

Olle Sturen of Sweden, Secretary General of the International Organization for Standardization (ISO), urged an internationalist approach to the preparation of world standards.

For example, he said that the standardization of screw threads is not a national issue but a technical and economic issue in which there are the same chances to find differences between two Norwegian

WORLD TRADE WOULD BENEFIT if all nations spoke the same metric language, said Rhode Island's Sen. Claiborne Pell (left) at USASI panel on metric conversion. He is shown here with moderator Louis Polk.

experts as between one from Norway and another from Sweden.

Differences in product standards from one country to another are some of the most serious trade barriers electrical manufacturers have to face, according to William A. McAdams, President of the U.S. National Committee of the International Electrotechnical Commission (IEC), and manager of General Electric's industry standards section.

The U.S. share of the rapidly-expanding world market for electrical goods has dropped from 30% in 1955 to about 20% in 1965. McAdams said that most manufacturers have become convinced that the development and the use of international standards is the best way to eliminate the non-tariff trade barriers most seriously affecting the U.S. market share.

McAdams and another panelist, Clifton J. Stanford, General Secretary of the IEC, discussed the responsibility of the IEC for preparing international standards in the electrical and electronics fields.

The International Organization for Standardization prepares international standards for all other categories.

Frans F. Van Rhijn of The Dutch Philips organization discussed the interests a giant multinational corporation has in international standardization. He said that such an enterprise could significantly contribute to standardization by taking organizational steps to coordinate the views held on the issues in question in various parts of the company throughout the world.

The relative consensus expressed at the Dec. 12 session was not in evidence at a USASI panel held earlier to discuss adoption of the metric system.

The Director of the British Standards Institute, H. A. R. Binney, gave a progress report and an explanation of Britain's conversion process.

Canadian willingness to convert to the metric system along with the realization of the need to proceed in conjunction with the United States was expressed by John H. Jenkins, President of the Canadian Standards Association.

Harry E. Chesebrough, director general of SIMCA and a vice president of Chrysler Corp., submitted his views that conversion to the metric system in the United States would result in chaos and would be unjustifiably expensive. He emphasized the need to standardize things themselves rather than the system of measuring things.

Senator Claiborne Pell of Rhode Island, a co-author of the recent bill authorizing the Commerce Department study of a metric conversion in the United States, stated that he was unwilling to accept the argument of the difficulty and expense of conversion until an exhaustive study had been made of the subject. He further added that international standardization would be facilitated if all participants were speaking the same metric language.

Mission to Germany to sell data process equipment, services

Suppliers may apply to Commerce Department for mid-May tour

A trade mission specializing in automatic data processing equipment and services is being organized by the Department of Commerce to visit the Federal Republic of Germany about the middle of May.

The specialized mission will be limited to representatives of not more than 12 firms in the data processing field. Individual participants will pay their own travel expenses. All other mission costs will be paid for by the Commerce Department.

A Commerce official, in addition to performing advance work, will accompany the mission on its visit to Germany as coordinator. The participants will be scheduled to meet with the principal users of ADP systems in the German economy.

The mission will be specializing in: small computer installations, of monthly rent up to $3,000; large computer installations, of monthly rent above $25,000; computer-related equipment—for example, punch card machine decollating and punching machines; and software.

Firms interested in participating in this export sales promotion opportunity in West Germany are invited to **write:** Trade Mission Division, BIC-926, U.S. Department of Commerce, Washington, D.C. 20230, attention Mrs. Margaret Baldwin; or call collect, area code 202, 967-5338. Applications are due by Jan. 6.

OFDI rules on compliance

The issuance of proposed enforcement guidelines for the Foreign Direct Investment Program was announced last week by Director Charles E. Fiero of Commerce Department's Office of Foreign Direct Investments.

Fiero said, "While we expect that virtually all companies will be in compliance with the program by Dec. 31, there will always be a few who are not. In fairness to the companies who observe the rules we cannot condone significant violations by others. The proposed guidelines contemplate administrative enforcement. We believe that the establishment of an administrative procedure is desirable from the standpoint of the business community as well as OFDI."

STATUS REPORT

Licensing is middle route

U.S. firms turn to such arrangements when exporting, investment are not feasible

By ARTHUR P. McDERMOTT

Office of Publications & Information, DIB

Considerable interest has been shown in the role of licensing patents and other knowhow as part of the overall international marketing programs of U.S. companies. This question has special pertinence currently, in view of the international balance of payments problems of the United States.

The comments of businessmen involved in licensing, as summarized below, rate attention in this discussion.

Most companies would prefer to limit their foreign operations to exporting but some find it impractical to do so in many areas because of import restrictions. They are unwilling for a variety of reasons to go all the way to direct investment in foreign manufacturing and choose licensing as a middle way of retaining their markets. This is particularly true of many small- to medium-size firms.

A number of large companies with extensive overseas interests also have adopted licensing, as a primary or alternative means of maintaining or supporting their worldwide market coverage, in some instances for advantages other than royalty income. These advantages include the desire for a two-way flow of know-how; to forestall competition; to build up a trading position, and to obtain the technical services of an individual or group unattainable in any other way.

Other firms have good and sound reasons for preferring licensing arrangements based on the countries and industries involved, and a small proportion may deliberately choose licensing as a revenue earner. This is particularly true in industries where the weight or volume of the products militate against export but manufacturing techniques constitute a profitable export. Often, competitive licensing actions by enterprises in other major industrial nations force individual U.S. firms to license abroad.

Some of the most frequently cited reasons for a firm's agreeing to have its product manufactured in another country by someone else are:

► It provides an entree in foreign markets without the large capital outlays that would be required for a direct investment;

► Royalty taxes usually are lower than corporate taxes on business conducted through a permanent establishment;

► A firm can establish its trademarks and protect its patents abroad through licensing arrangements;

► Licensees can explore the foreign market for a product, saving a U.S. firm money which might otherwise have been invested unwisely;

► Licensing provides a two-way exchange of technology: the U.S. firm provides the basic know-how, and the licensees often develop significant improvements, and

► It is a means of complying with governmental restrictions, both domestic and foreign, on overseas investment, without entirely giving up presence in the market.

The basic reason for licensing abroad is, of course, profit, either direct or indirect. But this is also true of exporting and direct investment. The question narrows therefore to which of the three methods is most profitable and preferable in relation to the time, trouble and risks involved.

Types of agreements

Licensing agreements are usually classified according to the basic rights granted and the scope of assistance rendered by the licensor. They include but are not restricted to:

- Patent licensing and cross-licensing arrangements
- Trademark agreements
- Manufacturing know-how agreements
- Technical assistance and engineering assistance agreements
- Franchise agreements
- Any or all combinations of the above plus the possible inclusion of management services and the supply of specialized machinery and equipment

The profitability of licensing seldom begins immediately. One company executive has said that "no licensing agreement begins to pay off until it has been in operation for a minimum of five years or so." Other companies put the development period at around two to three years, but agree that net losses may be experienced in the initial stages of a licensing agreement. There is general agreement that licensing is a long-term proposition.

As F. V. Benders, manager for commercial development of Marbon Chemical, puts it:

"We establish our overseas locations because the local market reached such magnitude that, to hold on to this market at prices competitive with local manufacturers, we had to start our own local manufacturing facilities. Neglecting to do so would have resulted in these markets being completely lost for the U.S. economy. As the situation now stands profits made in these ventures, as well as royalties under the license agreements, are returned to the U.S. and, therefore, favorably affect the balance of payments."

Marbon, a Borg-Warner subsidiary, has found that "Especially in the chemical industry and also to a large extent in the field of machinery for the conversion of plastic raw materials into the end products, one should realize that overseas technology is excellent and certainly equal to that available in the United States," Benders says.

"As regards Marbon's licensing program, our technology pertains mainly to conversion of the raw materials into the end product. Export of our raw material and/or manufacturing of these raw materials in our overseas locations will not be possible if the machinery required to convert these products is not available. Hence, our licensing program has two advantages:

"It provides an inflow of dollars to the United States through engineering fees and royalties.

"It opens the possibility for an increased use of our raw materials, either exported from the United States or locally manufactured by our subsidiaries; this, in turn, will result in an inflow to the United States of royalties under ex-

isting licensing agreements and/or profits made by subsidiaries and joint ventures."

Other U.S. firms say much the same thing.

American Machine and Foundry (AMF) calls licensing "a substitute approach for markets not accessible to exporting." The smaller Bettinger Corp., a firm with about 250 employees, notes "we license because of exchange problems and nationalistic feelings." The Coleman Lamp and Stove Co., referring to quantitative restrictions it faced in the French market, says it began then to "license abroad to develop markets temporarily or permanently closed to exports."

Increased licensing interest

Why the growing interest in licensing, or authorizing a foreign firm to make and distribute U.S. products in a specific overseas market?

The current aim of experienced U.S. firms operating internationally is to use licensing, along with exporting and foreign investment, as a tool for expanding a firm's world commercial potential.

Licensing, as currently practiced, is of relatively recent origin and grew rapidly during the early 1960's. Because of the greater growth potential of equity investment, there was a significant reduction of pure licensing arrangements during the past few years but the effort to comply with U.S. overseas investment restraints has rekindled licensing interest.

Not only have American firms shown renewed interest in foreign licensing, usually with equity options, but many foreign firms have emphasized their receptivity to U.S. licenses as a means of bridging the technology gap.

Although projects in developing countries usually also require an input of foreign exchange not normally necessary in developed areas, statistics show a higher growth percentage of licensing agreements in developing areas than in Europe.

If foreign exchange needs can be satisfied without foreign equity investment, licensing and management contracts will normally better satisfy the nationalistic interests of many developing countries.

Precise data on the extent of overseas licensing by U.S. firms has only been compiled since 1961, when Booz, Allen & Hamilton began publishing *New Foreign Business Activities of U.S. Firms*, a series of reports on a continuing research project dealing with U.S. investments overseas. The most recent report lists a total of 1745 contract agreements between U.S. and foreign firms involving an exchange of proprietary rights concluded between January 1961 and December 1967.

Of the total, 772 covered operations in Western Europe (264 in the United Kingdom, 125 in Germany and 104 in France), 456 in Asia (348 in Japan), 367 in the Western Hemisphere (130 in Canada), 86 in Oceania and 64 in Africa.

However, the survey has found that the number of agreements signed showed a marked decline each year except in 1963, falling from a high of 340 in 1961 to a total of only 139 in 1967.

Studies make it apparent that licensing conditions vary widely from nation to nation. Licensing arrangements should therefore be entered into only after the most thorough check of all aspects of the trade/invest/license mix.

On the question of the spread of U.S. technology abroad through licensing, and the corollary question of possible loss of direct exports, there is little doubt that some leakage does exist. As one leading authority in the licensing field put it: "The contract has yet to be drawn that could force the licensee to return all the know-how gained under a license."

According to D. R. Smith, a past president of the Licensing Executive's Association, however, "piracy" is recognized as a fact of life by licensors, both foreign and domestic, and is not regarded as too big a problem under current conditions of worldwide industrial activity.

The type and age of the know-how divulged is at the heart of the matter. Licenses are seldom negotiated with foreign firms until the patent, know-how, technique or whatever proprietory process falling under the generic term of "license" has been thoroughly exploited domestically as well as in export markets. By that time—perhaps two years—research and development have moved forward to refine or render obsolescent the original process.

Smith cited a recent complaint by a leading Italian official that the existing technology gap between Europe and the United States was actually widening as indicative that there was no substantial leakage of U.S. technology in Europe due to licensing by U.S. firms.

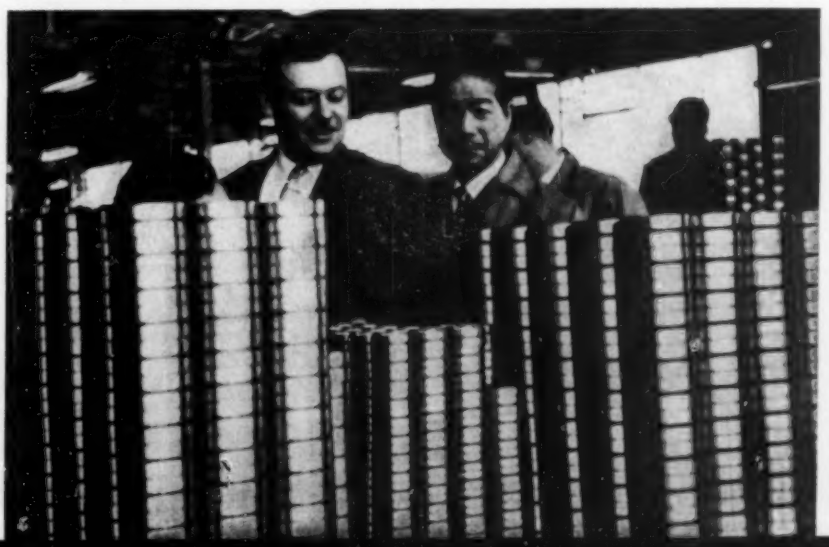
In its own way, licensing actually contributes to advances in U.S. technology. For example, many licensing contracts now provide for a feed-back of information to the licensor as a result of development efforts by the licensee. An example of this type of licensing agreement being negotiated in the industrial world of the 1960's is that between Pilkington, the British firm which developed the float glass technique, and its licensees.

During the 16-year licensing period Pilkington passes on to its licensees all improvements on the process, whether patentable or not. In turn, the licensees are requested to inform the licensor of any improvements they make. Pilkington distributes to all its licensees the non-patentable improvements it receives from individual licensees, but under the terms of the agreement keeps for itself the patentable ones. Each licensee can, however, license another licensee to use its patents. The licensor thus retains full control of its process and, as the recipient of developments by its individual licensees, constantly strengthens its position.

In discussions on the international effects of licensing it is frequently noted that products manufactured abroad under U.S. license may be exported to the United States and adversely affect the U.S. balance of payments. This situation may hold particularly in countries with low labor costs and relatively high productivity.

Foreign licensing by one U.S. firm also may adversely affect the exports of another. Offsetting these adverse factors are the increased possibilities of U.S. firms exporting to their licensees specialized machinery, equipment and raw materials,

ON THE SPOT FOLLOW THROUGH IS ESSENTIAL to successful licensing, according to Eugene M. Lang, U.S. licensing specialist, shown at left inspecting bearings made under license at a Nagoya, Japan factory.



in addition to the earnings received in the form of engineering and management fees.

In view of the time and expense involved in locating licensees, negotiating agreements and policing them, specialized licensing companies have been formed to help potential licensors carry out these functions. The cost of such assistance is balanced against the amount to which it enhances the profitability of an agreement to the licensor. Charges for locating a licensee and assisting in negotiating the agreement usually average around 25% of the royalty. To find a licensee, negotiate and administer the contract and collect the royalty generally calls for the licensing company to retain about 50% of royalty payments.

Licensing guidelines

Eugene M. Lang founded such a company, Resources and Facilities Corp. (REFAC), 15 years ago, which, specializing in the licensing field, has developed the following guidelines for prospective licensors:

- Don't give your licensee unqualified access to new developments and improvements, or the right to seek patents on his own initiative;
- Don't assume that you can properly license the use of your trademark. Some other form of extending user rights may be necessary to safeguard your proprietary interests. Reserve the right to revoke use of a trademark if the licensee makes an inferior product;
- Don't warrant the validity of patents which you license or blindly agree to attack alleged infringers;
- Don't get involved with a licensee until you are absolutely certain he knows your particular line of business;
- Don't set up license conditions that involve you in the management prerogatives of a licensee. Your job is to help but not to make decisions for the licensee, even if he wants you to;
- Don't give up all control over the manufacture and marketing of your products abroad;
- Don't assume that the specifications used in your organization can be followed abroad;
- Don't think that mere agreement between you and the other party completes the deal—Government approval is often required;
- Don't assume that a large royalty or a large minimum royalty guarantee means anything if the licensee isn't economically sound;
- Don't assume that your know-how, no matter how complex or expensively developed, is priceless or cannot be copied. Any company can develop a product or technique if the potential profit is sufficiently attractive.
- Don't think that, just because agreement has been reached and a set of blueprints transmitted, you can sit back and wait for the profits to start rolling in. Continuous follow-through is essential, and
- Don't take anything for granted! Ever!

Recent agreements

Firestone Tire and Rubber, a company with considerable export and investment experience overseas, recently concluded a technical tieup with a Japanese firm to make its tubeless tire wheels for trucks and buses in the Japanese market.

Helene Curtis International, a manufacturer of cosmetics has signed an agreement with a Lahore firm to make its products in the Pakistan market. Helene Curtis has 30 to 35 such agreements in effect worldwide.

Old Town Corp., a manufacturer of office equipment, currently has four active licensing agreements overseas: in the Philippines, Colombia, Mexico and Taiwan. Licensing arrangements in two other countries are being negotiated.

The market research department of the German-American Chamber of Commerce in New York has instituted a program to help U.S. firms interested in license agreements with German companies.

The Glidden-Durkee Division of SCM of Cleveland entered into an agreement with a Philippine paint manufacturer following publication in INTERNATIONAL COMMERCE of an investment opportunity reported by a U.S. Trade Mission to the Philippines. Negotiations led to a broader agreement than originally contemplated by either firm. American Embassy officials in Manila assisted in working out cooperative arrangements between the firms.

In cases where U.S. firms are unable to supply foreign markets by exporting from the United States, the Commerce Department's Office of International Investment (OII), is available to help them identify potentially profitable licensing opportunities abroad.

Initially, a U.S. company may be referred to the Department's Trade Lists and Automated Trade Lists, which contain the names and addresses of foreign concerns known to be interested in closer ties with U.S. manufacturers. The foreign concerns are listed by commodity interest and other pertinent data about the firm's operation is also enumerated.

Through the Commercial Newsletter Service a U.S. firm can directly advertise its licensing proposal in the foreign business community. Newsletter material, which is transmitted monthly to nearly 100 U.S. Foreign Service posts, contains items about international business activities and trade for redistribution in each local area. The service devotes a special section to licensing announcements and interested foreign companies can follow up directly with the U.S. firm.

After selecting the names of potential candidates, the U.S. company can order World Trade Directory Reports (WTDR's) containing business and financial background information on each foreign prospect from the Bureau of International Commerce or the nearest Field Office.

Other sources of assistance to U.S. firms seeking licensing contracts abroad are the investment offices maintained by many foreign countries in the United States. These organizations are devoted to promoting private investment and often can supply basic information. Also, they frequently receive licensing proposals from companies in their countries which they attempt to pass to U.S. firms.

Close cooperation

Cooperating closely with Commerce in its efforts to identify suitable licensees abroad are U.S. Foreign Service posts which submit a steady flow of licensing opportunities on behalf of foreign enterprises. The publication of these opportunities in INTERNATIONAL COMMERCE is one method of dissemination used by OII. Industry trade associations cooperate by bringing licensing proposals to the attention of their members.

Numerous U.S. firms have made their overseas licensing interests known to OII, and these companies are normally alerted to foreign proposals falling within their commodity range.

Also, the American International Traders Index is frequently consulted to identify U.S. firms which have registered their international activities and interest with Commerce. This business information is held in strict confidence and never revealed to either U.S. or foreign private organizations.

Licensing opportunities are also listed in the Department's Foreign Market Reports Index, which lists reports sent to Commerce describing overseas business activities.

For further information about Commerce Department services to businessmen in the field of licensing, interested U.S. companies can **write:** Bureau of International Commerce, Office of International Investment, U.S. Department of Commerce (BIC), Washington, D.C. 20230.

THE UNITED NATIONS was the site of recent 'E' award presentation. Martin T. O'Connor (l.), vice president of Thatcher Export Corp., and Charles Stiassni (center), president of Thatcher Plastic Packaging, accept 'E' flag from Arthur C. Rutzen (r.), director of the Commerce Department's New York Field Office.

Packaging products find markets in Western Hemisphere countries to earn 'E' for increased exports

Thatcher Export Corp. of New York City used sales network, market research, multilingual advertising, improved packaging

Thatcher Export Corp. of New York City has built up a large export market for its glass and plastic containers and closure seals by proving to customers that Thatcher products cut down on pilferage and other loss, thus saving them money. The company has been awarded the Presidential 'E' for increasing exports through use of an aggressive sales network, extensive market research, a foreign-language advertising campaign, and executive travel. Thatcher exports increased by approximately 75% between 1965 and 1968.

Thatcher products include Celons (cellulose bands), plastic squeeze-to-use tubes, glass containers, and plastic closures. Customers have found Celons helpful in preventing sampling of products while on supermarket shelves, substitution of inferior products for the real ones en route, and dilution of pharmaceuticals and liquor before reaching their destinations.

Thatcher will manufacture special designs in response to customer requests.

Thatcher Export Corp. was founded in 1964 as a subsidiary of Thatcher Glass Manufacturing Corp. to promote export sales in the Western Hemisphere. Thatcher took great care in selecting distributors overseas. Sometimes Thatcher chose a large, well known sales organization; sometimes, one whose experience was limited, and in a related industry.

The majority of Thatcher sales are made in Canada, Mexico, Central America, Venezuela, Colombia, Peru, Chile and Ecuador.

Thatcher offers a variety of packaging to meet the import duties in Central and South America, which vary from country to country. For those countries where weight is a factor on the total duty, or where an additional percentage is levied on the landed weight, Thatcher developed a special dry form Celon. This cellulose band has most of the water removed during manufacture, and can be kept up to five years, provided proper warehousing practices are observed.

For large-volume customers in countries where landed weight on imports is not dutiable, Thatcher uses two types of packaging: resealable metal drums and plastic lined heavy-duty cartons. These are all designed to provide a maximum of strength with a minimum of weight and mass.

Some customers use the Celons only as security against pilferage, while others make them integral parts of their package design. A Peruvian customer uses Celons in his sales campaign. His product is popular and subject to imitation, so he uses the slogan "Do not accept our product if the seal is broken."

Thatcher often uses its customers' products as the subject of its advertisements.

The company relies on the research and opinions of its agents in determining credit terms. In some cases, it grants the agent a commission, which increases his vigilance in evaluating and following up the accounts. The majority of company business is done on sight and dated drafts. Some drafts are for 120 days from date of bill of lading or date of arrival. A few are on 60 or 90 day open account basis.

International Marketing Institute offering summer program for women

Women in business, government, and service organizations will be the focus of the International Marketing Institute's summer program for business and professional women June 17 to July 25, held on the campus of Harvard University and Radcliffe College.

Subjects to be discussed include: understanding the customer, determining product specifications, estimating product potential, pricing new products, expanding sales, planning and strategy, and marketing organization. Specialized seminars and lectures will cover such topics as marketing administration, financial statement and budget analysis, analysis for decision making, and environmental factors.

Following the six-week on-campus session, an optional four-week tour is offered, visiting industrial, consumer and service organizations around the country.

For further information, **write:** James A. Hagler, Executive Director, International Marketing Institute, 16 Garden St., Cambridge, Mass. 02138.

U.S. exports to East Europe dropped in '68 second quarter

85th Quarterly Report on Export Control shows $6.2 million below first-quarter level; licenses dropped in third quarter

U.S. exports to Eastern Europe in the second quarter of 1968 dropped $6.2 million below the first-quarter level, according to the Department of Commerce's *85th Quarterly Report on Export Control.*

There also was a decline in the value of U.S. goods licensed for export to the Eastern European countries in the third quarter, according to the report. Figures on actual export are available one quarter later than those for export licensing.

The report shows exports of $49 million to Eastern Europe in the second quarter of 1968, down from $55.2 million in the preceding quarter but up from $45.4 million in the second quarter of 1967. Exports to this area represented six-tenths of 1% of total U.S. exports in the second quarter.

Country totals

Of the second-quarter exports, Poland received $17.5 million; the USSR, $13.5 million; Romania, $4.5 million; Czechoslovakia, $3.2 million; and Hungary, $2.4 million. Agricultural commodities, valued at $25.1 million, accounted for more than half of total U.S. exports to Eastern Europe in the second quarter.

Principal exports to Poland were agricultural commodities valued at $14.2 million, including dairy products, raw cotton, animal and vegetable oils, oilseed cake and meal, and margarine. Exports to the USSR included woodpulp, aluminum oxide, various machinery and parts, insecticides, and organic chemicals.

U.S. imports from Eastern Europe in the second quarter of 1968 totaled $47 million, compared with $58.5 million in the preceding quarter and $44.4 million in the second quarter of 1967. Imports from the area represented six-tenths of 1% of total U.S. imports in the second quarter.

Poland supplied $23 million of the U.S. imports, principally in canned hams and preserved pork. Imports from the USSR amounted to $14.6 million, including platinum group metals, diamonds, chrome ore, and undressed furskins.

License applications to export $36.8 million of U.S. commodities to Eastern Europe were approved in the third quarter of 1968, compared with $44.1 million approved in the preceding quarter and $23.1 million in the third quarter of 1967.

The principal commodities licensed were industrial machinery valued at $15 million; agricultural commodities, $12.3 million; and chemicals, $5.3 million. Of the industrial machinery, $11.3 million was approved for export to the USSR, including $10.8 million for the passenger automobile plant being built there by FIAT. Most of the agricultural commodities—$7.4 million—were approved for export to East Germany. The USSR was the destination for $3.3 million of the chemicals, including aluminum oxide valued at $1.4 million.

In the third quarter, the Commerce Department also approved 24 applications to export technical data to Eastern Europe. The technology approved for export related primarily to petroleum refining, chemicals and petrochemicals, and metalworking processes. This compares with 26 approvals in the preceding quarter and 15 in the third quarter of 1967.

License applications rejected in the third quarter of 1968 amounted to $2.1 million in U.S. commodities. Rejections included electronic computers and accessories, $1,525,730; television recording equipment, $305,400; and other electronic instruments and equipment, $253,685.

The *85th Quarterly Report on Export Control* is for sale at 35 cents a copy by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or from any of the 42 U.S. Department of Commerce Field Offices.

Eximbank authorizes credit for Israel power expansion

The Export-Import Bank has authorized a $12 million credit to Israel to finance the purchase and installation of a 214-megawatt electric generating unit. The new unit will complete the Reading D power station at Tel Aviv.

In 1967 Eximbank authorized the first credit for the Reading D station to finance a similar 214-megawatt unit. General Electric Co. is the supplier of the generators for both units and Babcock & Wilcox Co. provides the boilers.

Israel Electric Corp. will be the beneficiary of the loan, to be repaid in 30 semi-annual installments, with interest on outstanding balances at the annual rate of 6%.

Michigan Chamber plans Japan mission

An economic mission from Michigan is scheduled to visit Japan next spring.

The mission is being sponsored by the State Chamber of Commerce in response to an invitation from the Japan-Midwest (U.S.) Association. The host organization was formed in Tokyo last year by 30 business executives of Japan to establish and maintain friendly ties between the business communities of Japan and the Midwest United States. Its chairman is Kazutaka Kikawada, president, Tokyo Electric Power Co., who is also chairman of the Japan Committee for Economic Development and the Economic Deliberation Council, an advisory group to the Prime Minister.

The mission will be in Kawana, Nagoya, Kyoto, Kobe, Osaka, and Tokyo March 22-April 4. Walker L. Cisler, chairman of the board of the Detroit Edison Co., will lead the delegation. Accompanying him will be a management group from the State of Michigan, including directors, officers, managers and owners of business and industry.

Purpose of the mission, according to the Michigan Chamber, is to provide the opportunity for business, industrial, and governmental leaders of Japan and Michigan to engage in informal dialogue on matters of economics and trade. Members of the delegation also will be exploring opportunities for new or expanded markets for their goods or services.

Mervyn V. Pallister, manager of the Chamber's World Trade Department, is coordinating the mission.

Commerce and Eximbank to widen coordination of export promotion, financing techniques for traders

Effort being made to eliminate 'financial vacuum' sometimes created by lack of advance planning for fairs, missions

Closer coordination of financing techniques with export promotion is under way, to increase the impact of the various Commerce Department programs for expanding sales abroad.

At a recent meeting of the Export Expansion Advisory Committee, Eximbank agreed to strengthen such coordination. The Advisory Committee, chaired by Secretary of Commerce C. R. Smith, was created by Executive Order last summer to counsel the Export-Import Bank on the use of its new legislative authority for a broader spectrum of export financing.

Need is clear

The Commerce Department conducts a number of programs designed to expand U.S. exports by on-the-spot and follow-on sales: Operation of U.S. Trade Centers in six countries and of Sample Display Centers in four countries; participation in international trade fairs and in "solo" U.S. exhibitions in markets where trade fairs do not exist; and sponsorship of official Government trade development missions and of industry-organized Government-approved trade missions. The need to relate financing possibilities more directly to these trade promotion activities is becoming increasingly clear.

Industry participants and Trade Center officials have emphasized that results might be materially increased if the availability of financing could be coordinated with a specific trade promotion event. When the time comes to consumate an on-the-spot sale, the U.S. businessman should be in a position to make a decision regarding financing as an integral part of his sales effort.

Competitive terms

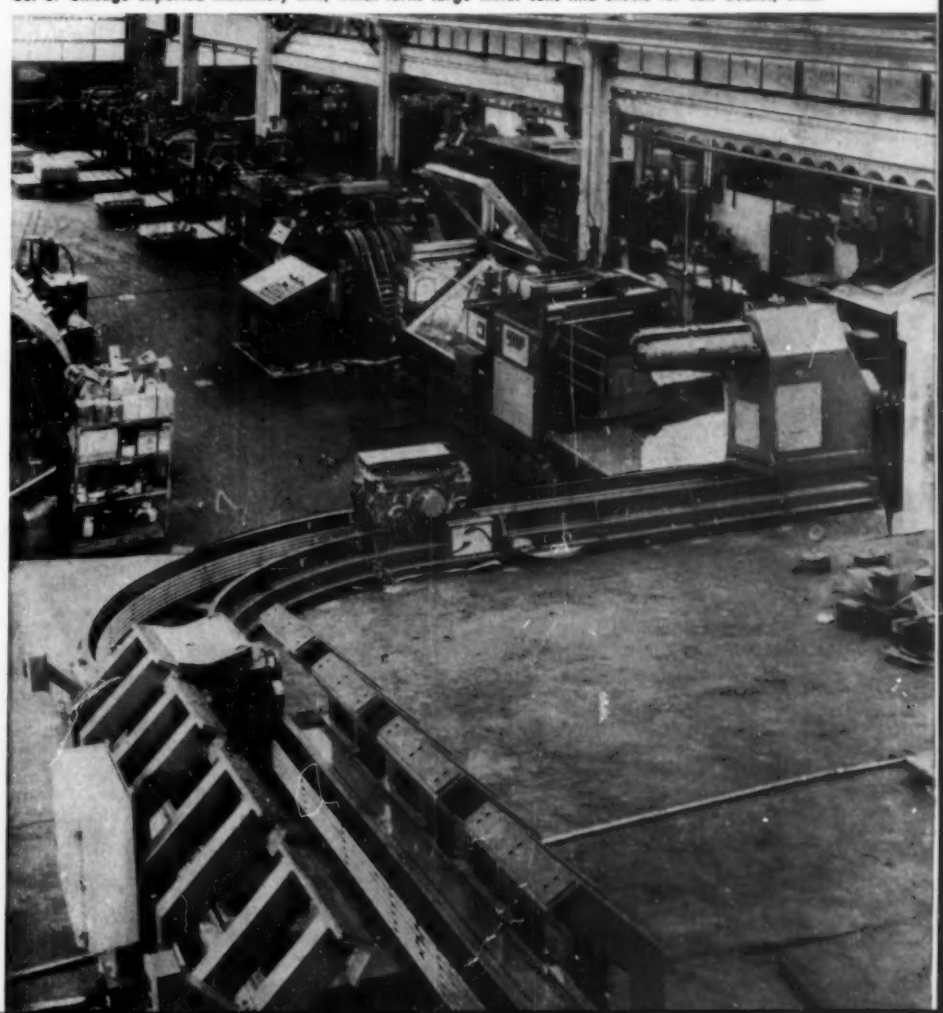
Other exporting countries are offering highly competitive terms and are stating those terms at the time of first contact with potential buyers. In some markets, there is an impression—usually erroneous—that U.S. credit terms are not competitive with those being offered by other countries. Thus, lack of financial experience and inadequate advance financial planning as a part of a specific activity can result in a "financial vacuum" at a critical juncture.

Commerce will look to Eximbank for specific suggestions as to the kind of financial assistance it considers appropriate for a particular promotion effort. Broadly speaking, the types of such help suggested for exporters participating in Commerce Department trade promotion programs might include:

- ► Prequalification of potential buyers as to creditworthiness;
- ► Use relending credits for local banks;
- ► Prior briefing of exhibitors or mission members regarding credit, guarantees or insurance available without necessarily setting up a specific credit line, and regarding terms and conditions on which official financial assistance could be provided;
- ► In some instances, attendance at a show or on a mission of a representative of Eximbank or the Foreign Credit Insurance Association.

The Commerce Department will coordinate its trade promotion planning with Eximbank to assure that the facilities of these two Government agencies will jointly contribute to U.S. export expansion objectives.

FROM CHICAGO TO BRITAIN BY AIR went this 100,000 pound shipment, a tin plate scroll cutting line needed for prompt installation by Metal Box of England at its Neath, Wales, plant. F. J. Littell Machine Co. of Chicago exported machinery line, which turns large metal coils into sheets for can bodies, ends.



Board defers action on Maine's Foreign-Trade Zone proposals

Will let new Administration decide on application with wide policy implications; dispute concerns proposed oil refinery

Secretary of Commerce C. R. Smith, as Chairman, has announced that the Foreign-Trade Zones Board has deferred final action on an application by the Maine Port Authority for a general purpose foreign-trade zone in Portland and a special purpose subzone in Machiasport. The decision was deferred in order to give the new Administration an opportunity to examine the far-ranging policy implications of this application.

The policy questions center over an oil refinery contemplated for the Machiasport subzone. Occidental Petroleum Corp. has proposed to bring 300,000 barrels of foreign crude oil per day into this subzone. Petroleum products refined from this crude would be marketed in the New England region.

Two public hearings have been held on the Occidental proposal, one in Portland and one in Washington, D.C. Over 600 pages of testimony were recorded at the two hearings and exhibits running into the thousands of pages have been submitted. Among the issues brought out by witnesses at the public hearings are the effect of the proposed refinery in reducing the cost of gasoline and home heating oil in New England; the benefits of industrial development in an economically depressed area; the potential impact of imports from the proposed refinery on national security policies which limit imports of crude oil; the U.S. balance of payments; and the possible effects of pollution on the natural attractions of the Maine seacoast.

Legal actions to restrain issuance of the license have been filed in federal court by Sinclair Oil, and the States of Oklahoma and Alaska, and are currently pending. The Secretary of the Interior recently issued regulations in proposed form for comment, which, when issued in final form, would bear on the ultimate disposition of petroleum products from the proposed Foreign-Trade Zone. Additional studies have been suggested by the Treasury Department on the implications of the entire proceedings for the U.S. balance of payments.

The application, if granted, would be issued under the Foreign-Trade Zones Act, which authorizes the Board to grant permission to qualified public or private corporations to establish and operate foreign-trade zones and subzones in or adjacent to U.S. ports of entry.

Foreign-trade zones and subzones are controlled areas into which foreign and domestic merchandise may be brought without payment of customs duties. Within a zone or subzone, merchandise may be stored, processed or manufactured and subsequently shipped to world markets. Merchandise is subject to applicable U.S. customs duties only when it leaves the zone site for entry into U.S. customs territory.

Foreign-Trade Zones are currently operated in New York City, San Francisco, Seattle, Toledo, Honolulu and Mayaguez, Puerto Rico, and applications have recently been approved for Bayonne, N.J., and New Orleans. Subzones for manufacturing are operated in San Francisco, New Orleans, and Penuelas, Puerto Rico.

Trade expansion, import quotas were key GATT subjects

25th session at Geneva made no major advances

Two key issues facing the member nations of the General Agreement on Tariffs and Trade (GATT): trade expansion, and the question of import quotas applied inconsistantly with GATT rules, occupied delegates from GATT's contracting parties last month in Geneva. It was the organization's 25th annual session.

On trade expansion, progress during the past year consisted primarily of holding the line against pressures to place new restrictions on the flow of international trade. The delegates agreed, nevertheless, that the three principal GATT Committees (on Agriculture, Industrial Products, and Trade and Development) should now undertake serious preparatory work looking toward further trade negotiations "whenever the moment is politically right." If possible, the committees are to submit for consideration at next year's GATT session concrete possibilities for removing barriers to trade in both the tariff and non-tariff fields.

On the question of quantitative restrictions New Zealand, with strong support from the U.S. and the developing countries, proposed that countries applying such restrictions on imports inconsistently with their GATT obligations agree to eliminate them by June 30, or "legalize" them by obtaining from GATT members waivers of their GATT obligations. This would require them to justify and subject their restrictions to review annually by the members. Agreement could not be reached on the proposal, and it was referred to the GATT Council for further discussion.

Other subjects

Other subjects taken up at the Nov. 11-29 sessions, and actions taken:

► Delegates recognized the need to find mutually acceptable solutions to border tax problems, if such problems are turned up by the GATT working party now examining this issue on a priority basis.

► The United Kingdom described its recent import deposit scheme and a working party was established to consider the scheme.

► France described its latest program to maintain the par value of the franc, a matter to be discussed further by the working party already established to examine the measures taken by France last July.

► U.S. agricultural restrictions and the open-ended U.S. GATT waiver to apply such restrictions were strongly criticized.

► A "Committee on Anti-dumping Practices" to examine annually in September operations under the International Agreement on Anti-dumping was established and held an initial organizational meeting.

Former Secretary Trowbridge named to export council

Alexander B. Trowbridge, President of the American Management Association and former Secretary of Commerce, has been appointed to the National Export Expansion Council (NEEC). The council, which is a business advisory group to the Secretary of Commerce, is working on recommendations to the new Administration on ways to further increase U.S. exports.

U.S. electronic equipment show will tap big Scandinavian market for advanced design components

Extensive research shows excellent sales potential for latest American products in Sweden, Norway, Denmark, and Finland

More than 500 Scandinavian manufacturers of electronic equipment, who used $200 million worth of electronic components in 1968, will be the target of a U.S. Department of Commerce sales exhibition at the U.S. Trade Center in Stockholm next spring.

The electronic components exhibit, sponsored by the Department's Bureau of International Commerce, will take place Apr. 16-22, 1969. It follows a highly successful exhibit staged at the Center in November 1967, when U.S. manufacturers of electronic components estimated sales of $1.4 million in the year following the display.

Market surveys conducted for Commerce reveal that the Scandinavian countries now import more than half of the $200 million in components used in manufacturing there. An annual growth rate of 10% in the total value of these imports is predicted over the period of the next few years.

U.S. manufacturers are among the leading suppliers of components, supplying up to 50% of some types of advanced components. In 1967, U.S. exports of these products reached $13 million, 15% of the total component imports.

Growing market

The steadily expanding electronics industry in each of the four Scandinavian countries is creating a growing market for the whole range of advanced electronics, including integrated circuits and microcircuitry; transistors and other semiconductors; transducers; tubes and power supplies; resistors, capacitors, diodes and potentiometers; connectors; solid state components and subsystems and accessories.

A break-down for each of the Scandinavian countries prepared by Commerce researchers shows the following markets:

SWEDEN—Manufacturers used $98 million in electronic components in 1967, making Sweden the leading consumer of these products in Scandinavia. Expanding exports of telecommunications and medical electronic equipment are providing a strong stimulus to imports of electronic components, which topped $60 million in 1967.

Electronics output up

Overall electronics output for 1968 reached $450 million, up from $420 million in 1967. Industrial and professional equipment accounted for most of this output ($325 million), with consumer products ($55 million) and electronic components ($70 million) making up the balance. Semiconductors, integrated circuits and other micro-electric components are most in demand.

NORWAY—Norwegian manufacturers used a full range of electronic components worth $53 million in 1967. The market for transducers here is particularly good, reaching $3.2 million in 1967 compared to only $2.3 million during the same year for Sweden.

DENMARK—Danish electronic equipment manufacturers produced more than $120 million of electronic equipment and consumed $43 million in electronic components in 1967. Production of computers, industrial process controls, radio communications equipment and electronic medical equipment is expected to expand, creating a continuing demand for sophisticated electronic components of all types.

One industry report predicts an enormous jump in the Danish market for integrated circuits, from $400 thousand in 1968 to about $6 million in 1969 and more than $9 million by 1970.

FINLAND—The growing electronics industry in this country consumed $12.7 million in components in 1967. Integrated circuits, transmitting tubes, transistors and receiving type tubes showed large percentage growth rates.

U.S. manufacturers of electronic components have increased their export sales through participation in the earlier Stockholm exhibit and similar Commerce-sponsored shows. Sixty-seven participants in an electronic components show at the Milan Trade Center in November 1966 earned $1.5 million in the year following the show and signed nine agents for continuing representation of their products in Italy. A micro-miniature electronics trade show at the London Trade Center in February 1968 led the 71 exhibitors to predict one-year sales of over $2.2 million.

U.S. firms exhibiting in the Stockholm show will benefit from an all-media market development campaign already underway throughout Scandinavia to attract key buyers, agents, distributors and engineers. Firms interested in participating in the exhibit may obtain additional information from the U.S. Department of Commerce (BIC-946), Washington, D.C. 20230 (telephone: Area Code 202, 967-2461), or any Commerce Field Office located in cities throughout the country.

Two INTERSTOFF textile exhibitions planned for May, November, 1969, in Frankfurt

A 1969 schedule has been announced for the semiannual series of INTERSTOFF textile fairs in Frankfurt, Germany. U.S. manufacturers of textiles have been invited to take part in the two fairs set for next year.

The spring INTERSTOFF exhibition is scheduled for May 23-27, 1969, showing fabrics for the summer season, and the fall edition, showing winter textile goods, will be held Nov. 18-21, 1969.

The spring fair is usually well filled, and for many exhibitors, especially manufacturers of lightweight fabrics, U.S. commercial officers consider this the most important of the two exhibitions.

Deadline for space applications for both fairs is Jan. 20, 1969, and only textile manufacturers are eligible for exhibit space. The fair organizers specifically exclude converters from participation in the INTERSTOFF shows.

Write: Messe- und Ausstellungs, G.m.b.H., 6 Frankfurt am Main, Postfach 7726, Germany.

DIGITAL GRAPHIC SYSTEM (above) by California Computer Products, a hit at previous U.S. shows, was again popular at Milan. New-to-export International Contronics (below left) forecast $250,000 sales.

MORE THAN 6,500 VISITORS saw displays such as Houston Instruments Division of Bausch & Lomb (above right) and R. S. Crum Export-Import Co. (below) at the Milan process control equipment show.

Nearly 8,000 visitors see Milan exhibition

New record set at process control show; floor sales third highest ever

Sales projections of over $2.3 million filed by the 50 U.S. companies represented in the show of industrial process controls and computers at the U.S. Trade Center in Milan reflected the interest of the record number of nearly 8,000 visitors to the exhibition.

Immediate sales contracts signed at the show itself totaled $380,655, the third highest total in the five-year history of the Milan Center. Exhibitors at the show stressed that their projected sales figures covered only the first twelve months after the show, and that eventual results of contacts made at the Milan exhibit would probably be much higher, due to the long lead time needed for some of the projects under consideration.

Of the visitors to the Nov. 20-26 show, 6,564 were registered by the staff at the Trade Center as being businessmen actively engaged in fields which use the kinds of U.S. machines and equipment displayed at the Center.

One firm alone accounted for some 85% of the immediate sales figures reported from the show. Electronic Specialty Co. left Milan with signed orders for $322,155 in hand.

International Contronics, a firm new to exporting, named one agent in its first venture into international business, and was negotiating with four others as the show closed. International Contronics expects $250,000 in overseas business during its first year in exporting, all directly attributable to its participation in the Milan Trade Center show.

Healthy sales predictions were filed by Varian Data Machines and Kollmorgen, each of which expects $300,000 in future sales to stem from trade contacts accomplished during the show.

The Trade Center's extensive cooperation with the management of the Milan International Automation Exhibition—BIAS 68—held at the Milan fairgrounds adjacent to the Center, was credited with bringing the new high number of visitors to the Center show.

With many Milan showings, the Center and local fair authorities time complementary shows to coincide, and each advertises the other, resulting in larger attendance at both events.

AUTO REFLECTING LASER was the center of attraction at the booth of Perkin-Elmer Corp. (above left) where laser was used to measure vibration. Extensive display of reflectors, lenses, laser windows, filters, and prisms attracted businessmen to the Oriel Optics Corp. booth for discussions (above right).

Frankfurt laser show has all-Europe appeal

First-of-its-kind exhibit brings visitors from throughout Continent

A first for the U.S. Trade Center in Frankfurt—the first exhibition of its kind in Europe—drew 1,260 trade visitors from all over Europe to the Center's latest show, held Dec. 2-6.

The U.S. equipment on display which drew the attention of so many businessmen and engineers in Germany and surrounding countries included the latest in American lasers.

Lasers and technology related to them were the subjects of a three-day symposium held in conjunction with the Trade Center show. Attendance at the symposium and the company exhibits included a record 20% from some 20 countries outside Germany, with large delegations from Switzerland, France, Great Britain, Sweden, Yugoslavia, Italy, and the Netherlands. An unusually large number of visitors were registered from such Communist Bloc countries as Czechoslovakia, Rumania, Poland, and the USSR.

Immediate sales at the show topped $130,000, despite the relative novelty of the machines shown, and predictions of sales over the next year reached $1.7 million.

Coherent Radiation Laboratories reported the best sales success among the 29 firms taking part in the show, with $30,000 in immediate orders and projections of ten times that amount in sales it expects to make during the next year.

"We will have to readjust our marketing and production plans to satisfy a much higher level of demand than had been anticipated," said Coherent Radiation's representative at the show. The company executive reported that the firm had underestimated the European, and particularly the German, market for U.S. lasers.

Other U.S. exhibitors who expect good results from the show include Spectrum Systems, which sold $40,000 at the show and expects $100,000 in future sales, and Laser Nucleonics, with $10,000 in off-the-floor sales and forecasts of $100,000 more resulting from contacts at the exhibition.

Spectrum's president called the show "the best in which our firm has ever participated."

ENGINEERING LASER for use by construction industry was shown by University Laboratories (above right). Crystal prism was used to bend a laser beam at Spectra-Physics, Inc., booth (below).

Tunisia scoring gains

Good crop year brings sharp drop in imports from U.S.; tie with EEC sought

Tunisia's encouraging upturn in the first half of 1968 was due principally to higher farm output, increased tourism and rising petroleum production, according to the annual Economic Trends Report from the U.S. Embassy in Tunis.

In all, gross domestic product for 1968, as estimated in October, is expected to reach 570 million dinars ($1.086 billion). If attained, this would represent an increase of more than 7% over the 1967 level of 531 million dinars ($1.008 billion).

Imports from the United States through August were $30.5 million, compared to $48.3 million last year. The reduction largely reflected a cutback in PL 480 programs due to the improved agricultural situation in Tunisia.

Exports to the United States remained about the same: $2.3 million in 1968 and $2.4 in 1967. This year, the exports were chiefly olive oil, esparto grass, and salt. The trading deficit with the United States remained heavy—$18.2 million, but, as indicated above, substantially less than in 1967—$45.9 million.

U.S. exports to Tunisia will continue to follow the level of American assistance programs, as tied procurement will finance the importation of a wide range of U.S. products. PL 480 programs should provide essential amounts of grains and vegetable oils, depending on Tunisian production.

Negotiating with EEC

Tunisian association with the Common Market was again the subject of negotiations between the EEC Commission and the Tunisian Government in October. No final agreement was achieved, in part due to EEC demands for reverse preferences which would raise some difficulties for Tunisia's drive for a larger industrial base. Further negotiations are expected, and a partial association agreement appears likely within the next four months.

Because of AID-financed procurement and Tunisian protectionist tendencies, U.S. exports of manufactured goods to Tunisia, in the event of its partial association with the EEC, should not suffer much in relation to European supplies.

U.S. investments in Tunisia will probably be centered in tourism, i.e. hotels, as it is the most rapidly expanding of Tunisia's investment possibilities and is an industry where private initiative will be most encouraged. Three U.S. firms are presently planning hotel construction.

Petroleum investment possibilities are dormant for the time being, and no U.S. firm presently holds an exploration agreement. U.S. firms may continue to have some interest in the expanded exploitation of the mineralized salts of Tunisia's dry lake beds.

Future U.S. industrial investment may be brought about through European affiliates, such as through affiliated companies with headquarters in the Common Market area. They would probably benefit from an eventual Tunisian association with the EEC.

France is Tunisia's largest market and supplier and a net creditor in trade. Through August, Tunisia exported to France goods valued at $22.4 million and imported $47.3 million, leaving a trade deficit of $24.9 million. Last year, comparable figures were $28.6, $54.6, and $26.0 (all millions). Increasingly friendly statements about their bilateral relations by French and Tunisian authorities as 1968 passed led to the conclusion that relatively more Tunisian sales in France can be expected.

Additional items of Tunisian origin which could enter France duty-free were announced in July. It seems unlikely, though, that the quota for Tunisian wine entering France duty-free, which used to be 500,000 hectoliters, will rise much above its present 150,000 hectoliters level.

The level of Tunisian trade with Italy, West Germany, and Great Britain increased. In each case, Tunisia was the net debitor. Exports to West Germany rose from $8.9 to $9.3 million, while imports rose more rapidly from $11.4 to $14.8 million. Italy reversed the terms of trade as Tunisian exports fell from $12.2 to $11.2 million, as imports rose from $10 to $14 million.

Tunisian imports from the USSR dropped from $6 to $1.8 million, while exports remained at about $3 million. Poland was the only other Eastern European country with relativley important trade. Tunisia's exports rose from $1.9 to $4.3 million, while imports rose from $2.2 to $3.6 million. In 1967, Tunisia was generally a debitor in exchanges with the Communist bloc, with which bilateral clearing agreements are maintained. In 1968, a shift is taking place to even these trade flows.

Imports reduced

Reduced imports from the United States, from France and from the Soviet Union permitted Tunisia to improve its foreign trade picture through the first eight months of the year. Exports in this period and during the same period in 1967 were $93.2 million and $92.2 million respectively. Imports, however, were cut back to $144 million from $174.9 million. The chronic trading deficit was reduced by $31.8 million.

Libyan market a natural

In the Maghreb, only trade with Libya, heavily in Tunisia's favor, is significant. Tunisian exports of foodstuffs and cattle in the first eight months of 1968 were $6.6 million, compared to $4.9 in 1967. The Libyan market will remain a natural one for Tunisian agricultural products.

Major Tunisian exports through August, which were up from 1967 were: olive oil $15 versus $6.5 million in 1967, phosphate rock, $15.8, compared to $15.5 million; and crude petroleum, $14.5-$12.3 million. Exports which suffered in relation to the same period for 1967 were: wine $3.7, compared to $8 million, citrus $2.6-$5.3 million, and superphosphates $10-$12.4 million.

Tunisia continued to receive significant public assistance from foreign governments during 1968. The United States signed another program loan in June. The 40 year, 2½-3% loan totals $10 million and has a ten year grace period. A Title I PL 480 agreement for $1 million in tobacco and hides was signed in May. Another PL 480 agreement for $15 mil-

lion will probably be signed before the end of the year.

The African Development Bank agreed to loan $2.75 million for agricultural development in the Medjerda Valley, the first ADB loan to Tunisia.

The French Government undertook a range of assistance measures, with primary emphasis on cultural programs. Over the years, relations between the two countries have passed through stages which have had a direct effect on Tunisian exports to France and French economic assistance to Tunisia. In April, assistance of $8.4 million from France was announced. The French Government also renewed and extended the duty-free quotas for some Tunisian goods entering France.

Canada, Denmark, Italy, East and West Germany, Sweden, Bulgaria, Romania and Yugoslavia also aided Tunisian development projects.

The International Finance Corporation had under consideration a loan for several million dollars for additional tourist facilities; if approved, the loan would be to the *Société Nationale d'Investissement*, a privately owned development bank.

UN technical assistance projects (Expanded Program of Technical Assistance) in Tunisia now number 48, with 40 specialists from nine UN Specialized Agencies. Dollar funding is about $500,000. The UN Special Fund is contributing $7.5 million to nine projects in a variety of fields.

The Polish and Soviet Governments renewed bilateral trading agreements during this period.

President Bourguiba and Minister of Plan and National Economy Ahmed Ben Salah continue to press for the reorganization of the Tunisian economy. Although these efforts began in 1962, 1967 and 1968 have been periods of intensified activity in achieving a more rational and efficient distribution system. This has involved the formation of cooperatives in some instances; in other instances the consolidation of smaller businesses into larger ones in which profits are divided 30% to affiliated members, 30% to savings, the balance to the employees and to capital contribution; and regional companies in yet others. Application of these ideas in some areas to foodstuffs and textiles may be expanded to construction firms, hardware, and bookstores.

Despite protestations and hardships in some cases, the Tunisian Government believes the costs of distribution will be reduced and greater savings will be available for increased industrial investment.

The grouping of importers of certain products which began in 1967 was to be extended to several new areas including plastics, glassware, and lumber. The "groupement" organization buys for the membership; foreign sellers to Tunisia should be prepared to deal through them.

In view of the expected rise in the gross national product, Tunisian authorities have allowed a somewhat larger rate of credit expansion than in 1967. Short-term credit at the end of June in relation to a year earlier stood at 114 million dinars, as compared to 103, and medium-term credit at 39 million dinars, compared to 33. Agriculture and related industries and tourism absorbed a large part of this credit increase.

Another development has been the effort of Tunisian authorities to correct a situation whereby some of the deposit banks have persistently experienced shortage of loan funds. Banks with excess funds have often placed them in the past in an interbank money market. By reducing interest rates in this market, direct loans from banks with excess funds to those banks which need them has increased. Also, an effort has been made to increase participation by the deposit banks with the government-owned banks in joint lending.

Earlier this year, Tunisian officials forecast current revenues of about 130 million dinars and current expenditures of 106 (Title I budget). The difference—nearly 24 million dinars—would be available for the capital or investment budget (Title II budget). In addition, foreign loans of approximately 31 million dinars and domestic financing of 10 million dinars were to bring the Government's capital expenditures to 64 million dinars (including amortization charges). Anticipated private investment brought investment forecasts to 125 million dinars for the year.

Statistics available through the early months of 1968 were not reassuring that the forecast levels would be achieved. Through June receipts were 50.4 million dinars, compared to 50.8 a year earlier; Title II or capital receipts were 9.3 million, compared to 7.6 at the end of June 1967. Total Tunisian Government receipts, including those from special funds, were 62.6 million, while they had been 66 million dinars a year earlier. Total expenditures on both ordinary and capital budgets were 65.6 million through June, 1968, and 59.8 million a year earlier. Thus, it appeared receipts were running below forecasts and expenditures somewhat above.

Tourism up

Tourism continues to be Tunisia's fastest growing industry. During the first half of 1968, the number of foreign visitors was up 25% to 128,000, and the number of nights passed by foreigners in Tunisia was 1,178,000, a 40% increase.

GROWING TOURIST INDUSTRY is attracting strong attention from the Tunisian Government, and provides the most promising area for investment by U.S. firms. Below, a newly-finished Mediterranean resort.

Saudi Arabian growth still strong despite some after-effects lingering from Mideast conflict

New customs tariff lowers duties on many imports of prime importance to U.S. suppliers; Suez closure aids Americans

For the past year the Saudi Arabian economy has been somewhat restrained by the lingering after effects of the June 1967 war, according to the semi-annual Economic Trends Report from the U.S. Embassy in Jidda.

Saudi economic activity continues to be somewhat distorted by the closure of the Suez Canal, major defense expenditures, and the $140 million annual Saudi subsidy payments to the UAR and Jordan.

However, economic growth may have been slowed but has scarcely been interrupted during this period, and the Saudi Arabian Monetary Agency (SAMA) recently estimated the GNP at a new high of $2 billion. Further growth is expected in the coming year as a result of the new budget, which is up about 12% to a record $1.23 billion.

A new customs tariff went into effect in Saudi Arabia on June 8. The duty on large passenger cars was reduced from 40% to 30% and this reduction should enable American manufacturers to compete more effectively with the smaller, less expensive models from Europe and Japan.

Farm machinery has been exempted from duty, subject to the approval of the Ministry of Agriculture; duties on industrial machinery have been reduced 50%, and those levied on household appliances have been lowered 15% to 40%. The duty on cigarettes has been reduced from 175% to 30%.

U.S. position challenged

The United States is maintaining its position as Saudi Arabia's leading foreign supplier; according to figures released recently by the U.S. Department of Commerce, U.S. exports to Saudi Arabia during the first half of 1968 totaled $103.8 million, an increase of 11.1% over the same period of 1967. Nevertheless, although there is a continuing high level of interest in U.S. products and services, Japanese and European firms are becoming increasingly effective in obtaining Saudi Government contracts and in selling goods in the marketplace.

The Saudi Government is diversifying the development projects it sponsors and at the same time employing more Japanese and European contractors and suppliers. The newly-built Jidda refinery was designed by an American firm, but Chiyoda of Japan built it. Japanese, Dutch, and German firms, as well as one American company are engaged in building the Jidda desalting plant. A German-French joint venture won the contract for a $13 million radio complex in Riyadh where the new automatic telephone exchange was supplied by a Swedish firm. French and Italian firms are now engaged in a number of joint ventures with the government-owned General Petroleum and Minerals Organization (PETROMIN) and the Ministry of Agriculture.

In the marketplace, inexpensive consumer wares from the Far East, including Communist China, are doing well, as are Japanese appliances and vehicles. The Japanese give systematic attention to the market and are highly successful in promoting their products in Saudi Arabia.

Closure aids U.S.

The continued closure of the Suez Canal gives U.S. firms some competitive advantage over European firms. The ocean freight surcharges imposed by shipping lines shortly after the Suez Canal was closed are 25% to Jidda and 10% to Dammam from U.S. ports, 50% to Jidda and 25% to Dammam from European ports. Although much cargo is still lightered, congestion in Jidda's harbor has been reduced. Shippers should remember, however, that the pilgrimage season, due to start in February, will delay unloading at Jidda during that period.

The following categories of goods offer some of the best opportunities for American exporters to the Saudi market: rice and food grains, food specialties, builders' hardware, road construction and maintenance machinery, oilfield machinery and equipment, electric household appliances, aircraft control systems, communications equipment, aircraft, motor vehicles, and agricultural equipment.

In general, Saudi Arabia is a good market for new consumer products of all kinds and continued growth in the per capita GNP, approximately $400-500 per year at present, should increase the demand for high quality American consumer items such as appliances and packaged foods.

American firms should be more aware of the great opportunities in Saudi Arabia in joint ventures, consulting services and construction work. Those firms prepared to make the initial effort to become established in Saudi Arabia will find it justified both in terms of increased familiarity with the market and of the ability to act promptly when new projects are first announced.

The Saudi Arabian economy will continue to grow and any pause in the rate of expansion, such as occurred in 1967, is likely to be temporary. Excellent opportunities still exist for increasing the already high level of U.S. exports to the Kingdom.

Although defense spending consumes about 34% of the budget, this year's allocations for economic development projects of all kinds total $493 million, or about 40% of the budget. This continued high level of government spending, with its emphasis on development projects, will stimulate further growth in imports, which already amount to about $600 million annually, and will sustain general business activity.

The Saudi Government's development efforts continue to emphasize the improvement and expansion of the economic infrastructure. Bids are now being invited for the construction of new airports for Riyadh and Jidda at a cost of $150 million. Spending for road and port projects during this Saudi fiscal year will be about $110.4 million, of which $27.3 million is earmarked for the expansion of the Jidda and Dammam ports, the first of which is already well underway.

New and improved sewer systems for the major cities are expected to absorb $33 million of this year's budget, and about $88 million is scheduled to be spent on further progress in agricultural and water resources development. Although exact figures are not yet available, spending for communications facilities and equipment is expected to rise.

A satellite communications ground sta-

tion near Jidda and Telex systems for the major cities are planned. However, funds have apparently not yet been allocated for a nationwide, unified communications network which has been in the discussion stage for some time.

Diversification of the economy remains a basic objective in Saudi development planning, and recent achievements include the opening of the 12,000 barrel-per-day Jidda refinery and approval for erecting a 15,000 b/d refinery in Riyadh. Further progress has been made in the construction of the Dammam fertilizer plant, and in the Eastern Province also two Saudi-American joint ventures have been established, one for sulfur production and the other for the purchase and operation of two 100,000-ton tankers.

These and other development projects, made possible by increasing oil revenues, should maintain the continued growth of the Saudi economy. Although precise statistics are not available, figures published by SAMA suggest that the GNP has risen at 10-15% annually since the early 1960's. While the disruptions arising from the Arab-Israeli conflict may have kept this growth somewhat below average in 1967, progress thus far in 1968 has been good and is likely to accelerate as the new national budget is implemented.

Daily output up

During 1967 the Arabian American Oil Company (ARAMCO) posted a daily average production of 2.59 million barrels, an increase of 8.6% over 1966, which was achieved in spite of the disruptions in production and shipment caused by the June 1967 war. As of Sept. 1, Aramco was projecting a final 1968 average of 2.8 to 2.9 million barrels per day, a forecast supported by actual production of 2.8 million barrels per day in August and September.

Further projections by Aramco see an average daily production of three million barrels per day through the fourth quarter of 1968. In line with the general rise in production, two new delivery records were posted in September: a one-day crude delivery record of 4,922,915 barrels was achieved Sept. 21, and the largest loading was recorded, also on the 21st, when the Yasutama Maru took on 1,419,000 barrels of Arabian light crude.

Although this country shares in the income from petroleum production in the Neutral Zone and offshore areas between its own borders and Kuwait, Aramco thus far remains the only petroleum producer within Saudi Arabia itself. At the current time, however, Tenneco (in conjunction with the French Auxerap) and the Sinclair Arabian Oil Co. are proceeding with seismic studies along the Red Sea coast. American and French geologic teams under contract with the Saudi Government also continue the search for minerals other than petroleum.

Financial position strong

According to the latest figures published by SAMA, the nation's financial position remains healthy despite a declining surplus of foreign exchange receipts over payments. This decline in the foreign exchange surplus, from $199 million in 1961 to $69 million in 1967, has been due mainly to the rapid expansion of commodity imports and, more recently, to the effects of the June 1967 war and the $140 million annual subsidies to the UAR and Jordan. However, the overall foreign exchange position remains strong. As of Aug. 22 SAMA's gold and foreign exchange holdings, in addition to the reserves assigned to provide 100% backing to the riyal, totaled $400 million, a margin equal to about 66% of the value of last year's imports.

Internally, the financial position is also healthy. The total money supply, currency plus demand deposits, has increased about 12% per year since 1962, a rate consistent with the growth of the economy. Despite greater monetary circulation, prices have for the most part remained stable. The ready availability of imports places a limit on commodity prices. A scarce labor supply, however, contributes to rising costs for many types of services. Construction costs and real estate prices also show a rising trend.

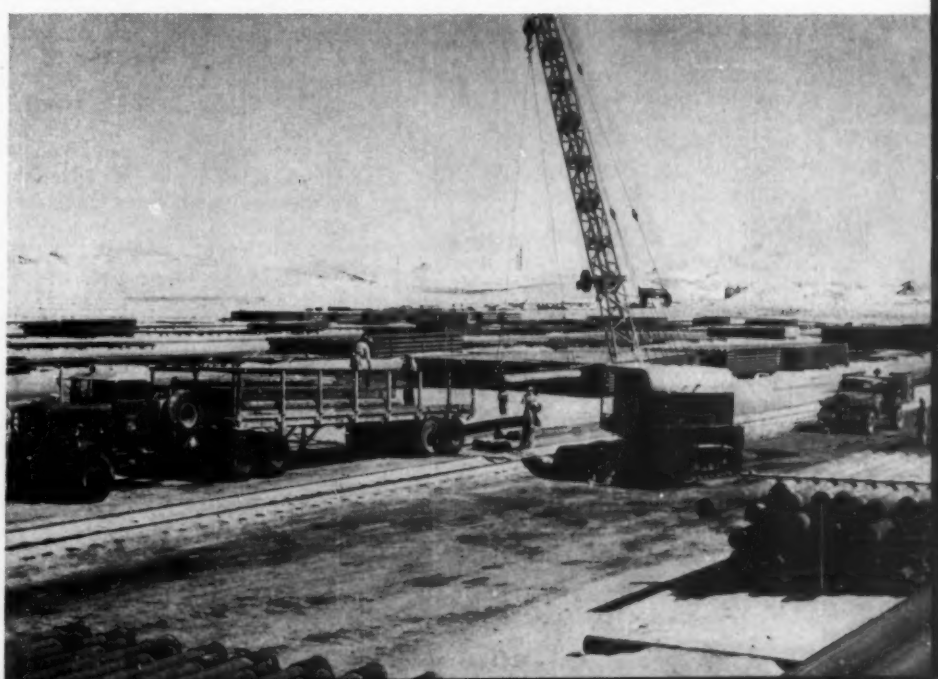
During the summer season activity in the Saudi retail market is usually slow. According to local bankers and retailers, the summer season just concluded was slacker than usual, particularly in the Eastern Province, and merchants' inventories in Jidda are larger than is usual at this time of year.

The wholesale and import markets are relatively stable, although the value of commodity imports which had been rising steadily during the 1960's, fell by 2% in 1966/67 as a result of the war of June 1967. However, food and construction materials imports have risen 10-20% during recent months as compared with the same period of the previous year, and renewed growth in imports is expected during the months ahead. Foodstuffs still constitute the largest category of imports, comprising about 30% of the total, followed in importance by machinery and appliances, 16%, and vehicles, 15%.

Dammam traffic up

Due to the closure of the Suez Canal, an increasing portion of Saudi imports now arrive at the port of Dammam. The Jidda port handled 53,846 tons of general cargo in August 1968, almost 14,000 tons less than in August 1967, although the numbers of livestock landed increased substantially. The closure of the Suez Canal resulted in longer shipping times to Saudi ports and encouraged increased use of air freight, for which no precise figures are available, and of overland routes from the Beirut Free Zone. Overland traffic from Beirurt has leveled off in recent months with the re-establishment of ocean shipping patterns. A new problem for overland shippers arose in August 1968 when Syria increased taxes on transit shipments.

RECORD DAILY OIL OUTPUT was posted in 1967 by Aramco, the only U.S. oil firm currently operating within Saudi Arabia. This truck is loading pipe in an Aramco associate's yard near Dammam.



Import controls likely to limit scope of Ghana's economic rise; U.S. sales prospects seem good

American outlook is best in capital goods field; consumer items are less competitive in strongly price-conscious market

A gratifying jump in the trade surplus has brightened the Ghanaian outlook, according to the semi-annual Economic Trends Report from the U.S. Embassy in Accra.

However, the present degree of control over imports tends to discourage any significant increase in the rate of investment and to deprive the manufacturer of some of his raw material requirements. This in turn restricts production and a fuller employment, as well as limiting opportunities for import substitution.

Prospects for enlarging the U.S. share of the Ghana market, especially in producer goods, continue promising but will frequently run into problems of financing method. In certain conditions, funds are available under the AID commodity import program for capitalizing equipment. However, equity investment or private loans are preferable, to the extent that the central banking authorities can accept the foreign exchange obligations so created.

In many types of consumer goods, American products are at a price disadvantage compared to those from European or Japanese sources, a disadvantage which is not offset by the local market's consideration for quality. In any case, aggressive sales representation is needed to meet the competition.

Complexities arise

There are many complexities to managing a subjective system of import controls such as Ghana's. The principal task is to establish a realistic target—the total of licensed expenditure—in approximation to anticipated export receipts plus donor aid commitments. Another is to make allocations of various goods to individual importers in accordance with the public interest and the importer's volume of business, financial background and past record, with guards against speculation and hoarding.

Furthermore, striking a current balance is complicated by the fact that many permits issued are not used promptly, if at all. As in 1967, the shortfalls this year unfortunately occur principally in licensing for construction materials and investment goods. Licenses for donor aid imports are also substantially below target.

The paperwork is probably less burdensome—or delaying—than might be imagined. The system's legal basis goes back to 1961, but simplifications of procedure have been numerous since a general survey of national import requirements in 1967. Recent revisions include a broad expansion of goods imported under open general license, including chemicals, paper and paper board, text books, and some types of electrical equipment.

This policy of liberalizing where possible may come to apply also to the related matter of 180-day letters of credit on commercial banks; occasional sight payments are made now.

Reportedly, the Ghanaian registered importer continues to find the paperwork involved in making use of foreign commodity loans more involved and time-consuming than the licensing procedure. A special Government office has been created to assist him in selecting suppliers and completing required forms.

Initiatives on the part of donor countries to streamline their commodity loan procedures might be considered a form of further contribution to Ghana's economic development.

Still needs support

Ghana's economy will continue to need support from the United States, as well as other donors, for some time to come. Emphasis will fall on Public Law 480 commodities, direct private investment and technical assistance. Both investment and technical assistance will desirably consider opportunities for contributing to the development of Ghana's agricultural production.

Apart from increasing traditional exports, the betterment of Ghana's trade position depends to a significant degree on improving crop productivity. Accomplishing this will involve better methods and facilities for distribution, the expansion of farm credit institutions, and growth of the cooperative movement.

Private participation

General policy and special fiscal measures have sought to encourage foreign private investment as a means of reducing Ghana's reliance on foreign public assistance. Some steps taken to attract capital—such as the easing of restrictions on transfers and remittances—may have resulted in increased outflow this year. In any case, both the rate of the investment and the climate for it are capable of improvement.

Ministries and public committees naturally scrutinize joint-venture proposals with due deliberation. National experience with very adverse contracts is too recent not to be cautious.

But there is also a substantial body of opinion in favor of maintaining most of the state corporations in the public sector, with management or technical advice furnished by direct-hire expatriate personnel only where necessary. This mood probably applies particularly to the manufacturing plants controlled by the Ghana Industrial Holding Corp., which hopes to effect improvement to the quality of local plant management in order to confine its role to that of a genuine holding company.

A major part of the interest recently expressed by foreign capital in Ghanaian industry has been directed to consumer-goods manufacture, especially in the textile field; there has been little interest directed toward such properties as the steel mill or drydock.

A decision may soon be reached on the acceptance of foreign private participation in the State Textile Corp. at Tema. It may be negative. The plant has recently reverted to Ghanaian management after an unsatisfactory spell of foreign fee-management, and the authorities may elect to continue under the present arrangement despite unfilled requirements for working capital, re-equipment and spare parts.

The same attitude holds for manufacture of footwear, plastic articles, paint and glass products, and local operation of vegetable oil mills, among other enterprises.

The recent agreement with a U.S. company for joint operation of the State

Pharmaceutical Corp. may be regarded as something of an exception, based on the Government's desire for high-grade technical collaboration on improving Ghana's supply of drugs and medicaments and reducing their cost.

Encouraging Ghanaian enterprise

As a means for heightening participation in their own economy, the Government is now reserving certain fields of business activity to Ghanaians. In general, the intent of a July policy directive is that new foreign capital in trading activities will not be encouraged.

Retail and wholesale businesses with sales volumes of less than Nc500,000 ($490,000) or Nc1million ($980,000), respectively, will be locally owned, as will also processing industries with a fixed capital investment of less than Nc100,000 ($98,000). Agency representation can be confided to a non-Ghanaian only with Government approval. Industrial projects capitalized at less than Nc200,000 ($196,000) will be approved only when 40% of equity is Ghanaian-owned or pledged to Ghanaian ownership within a stipulated period.

Expatriates established in business within these areas are allowed a reasonable period—three years and upward—to arrange for transfer of majority equity or complete ownership to Ghanaians.

The National Investment Bank's Development Service Institute is ready to assist local businessmen embarking on new ventures. Its consulting services include market research, price guidance and financial planning. Help will also be available from a UN Development Program vocational training project launched recently. Questions remain, however, concerning the ready availability of capital and credit for newcomers.

However firm cocoa prices may be currently, the Government's full-scale investment in remedial measures probably awaits the conclusion of an international marketing agreement, regarded as necessary for projecting Ghana's earnings from cocoa with any assurance.

Expansion of mineral production is largely a matter of proving new reserves of manganese, gold and diamonds. For the latter two, new corporate enterprise may lend technological assistance to development of the state gold mines and prospecting in the Birim River diamondiferous district. The Government's interest in opening up unexploited bauxite deposits is likely to result in renewed surveying at Kibi. Meanwhile—in a non-traditional area—negotiations in connection with leases for prospecting and mining Ghana's off-shore oil concessions are expected to be concluded by the end of the year.

U.S. sales prospects in Argentina are good as most indicators point to a resurgent economy

Failure to win Government supply contracts may lower U.S. import share, but private activity provides growing market

Rising output in Argentina's manufacturing and service industries, good crop prospects, and rising meat exports point to a 4% increase in real gross domestic product in 1968 and to a larger increase in 1969. Argentine imports should rise accordingly, says the semi-annual Economic Report from the U.S. Embassy in Buenos Aires.

U.S. exporters can increase their sales if they can compete better in prices and provide financing as easily and rapidly as their European and Japanese competitors.

Prospects for U.S. exports to Argentina in 1969 look good on the whole, especially for capital equipment. The U.S. share of Argentine exports—which has held fairly steady at about 22% for the past four or five years—may decline somewhat, but U.S. exports could increase in absolute terms if American exporters can match the financing terms offered by European and Japanese firms.

The U.S. share of the Argentime market may decline in 1969 because U.S. suppliers received a very small share of the orders for foreign equipment for the huge public sector projects that were bid upon and awarded in 1968. In general, U.S. suppliers were not price-competitive on these projects or did not provide as speedy and generous financing as could competitors from other countries.

Private role grows

However, Argentina's private sector is investing more and more and should provide a growing market for U.S. equipment. Moreover, as U.S. firms expand productive capacity in the United States and as the new export credit facility of the Export-Import Bank comes into operation, these firms should be able to compete more effectively for the growing business developing from Argentina's huge public investment program.

Especially in demand will be bridge-and-road building machinery and vehicles; other heavy construction eqiupment; communications equipment; electronic instruments; aircraft; metal-working machinery; oil-field and mining machinery; packaging machinery; railway equipment; chemical industry and power industry equipment, and industrial raw materials.

Most recognizable trends indicate an economy on the upswing within an increasingly stable price environment. GDP should grow 4% and the rate of price increase should be about 8% in 1968. GDP should grow even more in 1969, and the rate of price increase should be even less than that projected for 1968.

Aside from the unpredictable factor of weather, the mishandling of three main

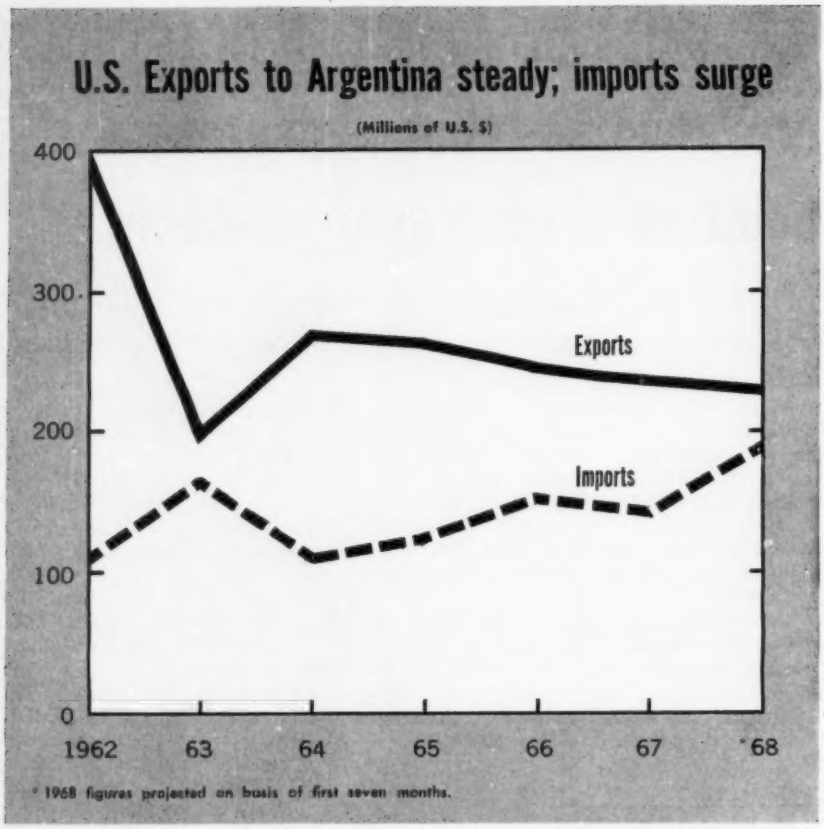
Argentine trends summarized

These are the main trends of the Argentine economy, Dec. 1968:

Gross domestic product is on the rise; the general price level is stabilizing; the peso exchange rate has remained stable since the 1967 devaluation, and the peso itself shows no signs of weakening; Central Bank foreign reserves are at highest level since 1948; good crops indicate substantial export gains in 1969;

The international payments surplus for 1968 will be one of largest in recent years; rate of increase of money supply is well below 1967; credit to private interests outgrows credit to public agencies; cash revenues are keeping pace with cash expenditures; unpaid bills cause Treasury cash deficit to exceed target;

Unemployment is falling; public employment is falling slowly; real wages are falling moderately, and time lost through strikes is decreasing.



policy issues could alter the promising outlook for 1969: wages, exports and budget. These are not easy issues to handle, but the Government's performance thus far gives ample grounds for believing that they will be dealt with effectively.

The wage freeze that has been ineffect since May 1967 expires Dec. 31. Depending on the base period one uses, hourly real wages rates have declined less than 3% or not at all since the stabilization program began on Mar. 13, 1967.

Hours worked have increased since March 1967, and most plants and business have given selective wage increases to meritorious employees. Some wage adjustment will be made for 1969, but indications are that it will not be inflationary.

The thrust of current government thinking is that take-home pay can be increased with relatively modest direct pay increases, an increase in family allowances, reductions in both employer and employee contributions to the social security funds and lower income taxes for workers.

The increase should not generate a dangerous rise in general demand, especially since consumer goods industries have considerable excess capacity. Nor should this increase squeeze profit margins and inhibit private investment decisions. Increased productivity in 1969 should enable business firms to give moderate pay increases without having to raise prices.

Argentina's exports suffered bad blows in 1968. The EEC's agricultural policy, the U.K. beef ban, Argentina's policy of shifting beef exports to the U.K. from carcass beef on a consignment basis to special cuts on a negotiated price basis, and the softness of world cereal prices were major factors in the 15% decline in Argentina's exports.

The EEC arrangements will still be in effect in 1969. World production of cereals is also expected to continue at a high level in 1969. On the other hand, the price situation for cereals should be improved in 1969 because of the improvement in the enforcement of minimum prices under the International Grains Agreement. Argentina's beef exports to the EEC and the U.K. have been increasing in recent months under Argentina's new meat trading system.

Also promising is the 27% increase in Argentina's non-traditional exports in 1968. The government's aggressive export promotion policy should increase these exports even more in 1969.

Treasury revenue rose 6% in the first nine months of 1968 over the same period of 1967, while expenditures rose only 5%. Revenue fell far short of original government estimates, however, largely because of the declines in export and import tax receipts. These receipts dropped because export taxes were cut in half and the volume of both exports and imports decreased.

Sales and income tax revenues were also below original estimates. For 1968 as a whole, total tax revenues may be about 50-60 billion pesos below the Government's original target. Expenditures have, however, not been as high as projected largely because the government has delayed granting wage increases to its personnel and because it has paid out less on public works contracts than planned. Expenditures may accordingly be as much as 30 billion pesos less than projected originally. The deficit would accordingly be about 30 billion pesos above the government's goal of 69 billion pesos, set by the International Monetary Fund.

Since, however, bank credit financing of this deficit has been drastically cut in 1968, the inflationary impact of the larger than anticipated deficit has also been substantially reduced.

While the government has not yet presented its fiscal program for 1969, rationalization of the present taxation system, improved enforcement of tax collections, a new land tax which will be an advance payment on income taxes, and large reductions in the government's operating costs are likely to be the main features of the program.

While the rationalization program in the central government and state enterprises has been moving slowly thus far, the rise in business activity foreseen for 1969 should provide ample job opportunities in the private sector and enable the government to speed up its streamlining of public sector employment.

Guatemala waiver

As of Nov. 28, Guatemalan customs officials are waiving accumulated warehouse charges on goods withdrawn from customshouses within 30 working days. U.S. exporters should review the status of their Guatemalan shipments with their agents or consignees who may have delayed payment of sight drafts and withdrawal of goods from customs. They may wish to take advantage of this temporary waiver of warehouse charges.

Value-added tax to replace old turnover levy in the Netherlands

General rate will be 12% on goods and services, necessities taxed at 4%; Jan. 1, 1969 is effective date

A fundamental change in the Netherlands turnover taxation which will affect all American firms doing business there will take place Jan. 1, 1969, when the Dutch will replace the present cascade-type turnover tax with a new system of tax on value added (TVA).

The change-over is in accordance with a Common Market tax harmonization directive calling on all Common Market countries to adopt the tax on value added by Jan. 1, 1970. France and Germany already have TVA systems in effect; Belgium, Luxembourg and Italy are currently making preparations for a shift to TVA.

The present Dutch turnover tax is a multiple-stage levy on the selling price of goods and services imposed on each transaction. At each stage the tax is applied to the total price, including all turnover taxes paid in previous stages, and it is not possible to make precise identification of the amount of tax to rebate on exports or to levy on imports as an equalization measure.

The principle of the value-added tax as incorporated in the new Dutch system is that only the net value added in each stage of production or handling is taxable, thus avoiding a tax-on-tax effect. Firms will be able to deduct from their tax liability on sales the turnover tax previously billed to them on the purchase of goods for further processing or handling. The TVA is a consumption tax, passed on through all stages to the ultimate consumer, who pays the full amount of the tax.

The new Dutch TVA is set forth in the Turnover Tax Act of June 28, 1968, which replaces the Turnover Tax Act of 1954. The general rate of the TVA will be 12% on goods and services up to and including the retail level. A lengthy list of goods and services however will be subject to a 4% levy—mainly those considered to be basic necessities, including many foods, tea and coffee; gas, water, electricity, coal and oil; designated medicines and prosthetic devices; books, newspapers and periodicals; certain categories of antiques and art works; advertising in newspapers and periodicals, certain services of lawyers and transportation of persons within the country.

Many services will be exempt from turnover tax under the new law, including medical, dental and other health services; education; insurance; radio and television broadcasting with the exception of advertising; postal, telegraph and telephone services; the granting of credit, transfer, collection and payment of monetary claims; and numerous other services.

Imports will be subject to the same turnover levies as apply to domestically produced goods. Exports are not subject to TVA; value-added tax paid on goods which are re-exported are refundable.

In addition to the rates cited above, a special consumption tax of 15% will be levied on passenger cars produced domestically or imported. This special levy will be refunded upon export of unused passenger cars.

The law also contains special transitional provisions. Refunds of turnover tax paid on inventories on hand Jan. 1, 1969 are provided for under certain conditions. Capital goods are to be freed from the burden of the TVA in gradual stages over the three-year period 1969-71.

The official Dutch text of the Turnover Tax Act of 1968 appears in the Netherlands *Staatsblad*, Stb. 329, 1968, pp. 857-865.

For a description of the principles of the value-added and cascade tax systems and border adjustments under both, see the Oct. 7 issue of INTERNATIONAL COMMERCE, pp. 2-5.

Nigerian oil production shaking war-induced slump

Nigerian oil production has recovered to 380,000 barrels per day (BPD) after dropping to less than 55,000 BPD shortly after the civil war erupted in July 1967.

About 200,000 BPD are being sent to the oil terminal at Bonny from several oil fields controlled by Shell-BP. Oil tankers are already lifting crude at Bonny to world markets. An additional 180,000 BPD is being produced by Nigerian Gulf from the Midwest State's offshore fields.

Thus, oil production has currently recovered to more than 60% of the level prevailing before the start of the civil war. Oil royalty payments due the Nigerian Government are accruing at the rate of $2.6 million per month.

New German Trade Law clarified

The information on the new German regulations contained in the Dec. 9 edition of *International Commerce* (pp. 23-25) was based on a draft copy of the law. The law as finally passed by the German parliament differed from the draft on several substantive points:

(a) Exports made under contracts entered into before Nov. 23 will be tax-exempt if shipped prior to Dec. 24, provided the contracts contained an agreement on final price;

(b) The Finance Ministry may reduce or remit the export tax if the exporter can prove that payment of the tax on export goods contracted for before Nov. 23 has resulted in a loss. The Finance Ministry may also allow a delay in payment of the tax if the exporter demonstrates that payment would result in a prospective loss in the firm's accounting year.

(c) The list of exempted items remains unchanged, but the government is authorized to add by decree any additional products that become subject to EEC market regulations subsequent to the passage of the law; and

(d) The import bonus will be based on the sum of the c.i.f. value plus tariff duty, but excluding applicable excise taxes. The original version of the bill allowed for refunds based on the equalization tax assessment base for imports, which includes excise taxes.

State Department tells Peru IPC is of U.S. concern

Expropriation dispute continues as U.S. makes official reply

The United States Government is acting for its own citizens in making representations to the Government of Peru on behalf of an oil company whose property in Peru has been expropriated, it has declared in a note delivered to the Peruvian Foreign Minister in Lima on Dec. 13.

The company involved is the International Petroleum Company (IPC).

A press statement by Robert McCloskey, press officer of the U.S. Department of State, summarized the contents of the note:

"Our Embassy in Lima, on instructions from the Department, had delivered a note to the Government of Peru pointing out that the IPC is a subsidiary of a United States corporation—that is the ESSO Standard, Inc., which is wholly owned by the Standard Oil Company of New Jersey, also a United States corporation. It points out that ESSO Standard owns 99.942% of the shares in the IPC.

"The note reaffirms the right of the United States to make representations on behalf of its nationals who have investments abroad as may be necessary to protect their legitimate interests under international law. It points out that the United States, like other governments, has long had the practice in appropriate cases of representing its nationals who own interests in foreign corporations.

"The note emphasizes that in protecting its nationals the United States Government is mindful of the sovereign rights and responsibilities of other states and seeks no special privileges for its nationals, but only the rights to which they are entitled under international law, including prompt, adequate and effective compensation.

"The note expresses the hope and belief that in a spirit of fair dealing the matter can be resolved amicably by the parties directly concerned."

The Peruvian Foreign Office had sent a note to the U.S. on Nov. 27 affirming a position that foreigners and Peruvians are treated equally under the Peruvian Constitution and that "Peru cannot accept diplomatic defense of a foreigner who has not exhausted all the legal means which our juridical procedures offer him." The note contended that IPC still had avenues of recourse open to it in the Peruvian courts.

The note referred to the nationality of IPC in these terms: "In the public registries of Peru the IPC is inscribed as a Canadian company," and said that for this reason the Foreign Ministry was "unable to understand the intervention in its favor by the Embassy of the United States."

Peru's military government expropriated the petroleum refinery and other facilities belonging to IPC on Oct. 9. The long-standing dispute between the Government of Peru and IPC over the oil fields had been resolved on Aug. 12, when IPC ceded the fields to the previous Belaunde Government, which had definitely canceled any debts allegedly owed by IPC to the Government.

Eximbank loan will help Paraguay buy U.S. planes

The Export-Import Bank has authorized a $2.88 million Alliance for Progress credit in favor of the Government of Paraguay to help finance the purchase of two Lockheed L-188C aircraft and one Lockheed L-188A aircraft. All of the planes will be used by Lineas Aereas Paraguayas (LAP), Paraguay's international flag carrier.

The contract price of the transaction is $3.76 million, including related spare parts and services. The Government of Paraguay will make a cash payment of ten percent, or $376,500. Of the financed portion, 15 percent will be for the account of Eastern Airlines, the supplier of the aircraft.

In addition to providing the three turboprop commercial airliners, Eastern Airlines will also train in the United States three flight crews and six mechanics. Ground, test, and shop equipment will be supplied by Eastern Airlines. After delivery of the planes, scheduled for January, Eastern Airlines will provide the services of one electrical technician, one turbine technician, one structure inspector, and one flight supervisor, all of whom will be stationed in Asuncion for at least 60 days.

Summer marketing program scheduled at Harvard

The tenth annual International Marketing Institute summer program for businessmen, educators, and government officials whose duties include marketing and distribution will be held on the Harvard University Graduate School of Business Administration campus June 17-July 25.

Lectures and discussions will concentrate on marketing management and research, and special seminars will cover company planning for international operations; marketing in developing economies; export expansion for government trade officers; and export marketing for private industry. The group will study more than 70 case histories, and make field trips to a variety of companies in the Boston area.

The optional six-week study tour will visit leading U.S. firms in cities across the country, and will include meetings in Washington, D.C. with officials of the Department of Commerce and the Small Business Administration.

For further information, **write:** James A. Hagler, Executive Director, International Marketing Institute, 16 Garden St., Cambridge, Mass. 02138.

Urea, machine tool plants aid Pakistan self-sufficiency drive

Two large plants have recently opened in Pakistan which should help the country move forward to greater self-sufficiency in agriculture and industry.

One of the projects is an American venture, the $46 million urea plant of Esso Pakistan Fertilizers Co., Ltd., located at Daharki, West Pakistan. It represents the largest single investment of any foreign private company operating in Pakistan. When operating at capacity, the plant will be able to produce 500 metric tons of prilled urea daily (173,000 tons per annum). It will utilize some of the vast natural gas reserves of the Mari field discovered in 1957. The field has been developed under the Pak-Stanvak Project, a joint venture of Esso Standard Eastern, Inc., Mobil Petroleum Co., and the Pakistan Government.

Pakistan's first machine tool factory, located at Landhi, near Karachi in West Pakistan, is a $24 million project of the West Pakistan Industrial Development Corp. It was built with credits from France, Switzerland, and Italy, who supplied most of the machinery, although some Soviet and Chinese machines were also procured. In addition to producing turret lathes and milling machines of various sizes, the factory will make axles and gear boxes for automobiles and tractors.

The plant is equipped with a department for die-casting aluminum and zinc alloys. Construction of a forge is underway. Currently in operation with 1,182 employees, the plant expects to be in full production in 1972.

The machine tool plant has been designated as an enterprise of the Regional Cooperation for Development (RCD) organization, and Turkey and Iran, the other RCD members, will give its products preference over equivalent products from other countries.

Austria eases import duties on 38 items of interest to U.S.

Implementation of reductions is one month ahead of GATT date

The Government of Austria has reduced the import duty on 38 tariff items of trade interest to the United States effective from Dec. 1. The reductions represent a one-month advanced implementation of concession rates negotiated during the Kennedy Round of tariff negotiations under the General Agreement on Tariffs and Trade (GATT). The rates were previously scheduled for implementation on Jan. 1, 1969. At present, one Austrian schilling (AS.) equals 0.038 U.S. dollars; one kilogram (kg.) equals 2.2 lbs.

The products on which tariff rates have been reduced are as follows (tariff numbers in parenthesis): molybdates, other than ammonium molybdate (28.47-C-2), from 16.8% to 15.6%; antisera—microbial vaccines, toxins, and related goods (30.02-B), from 15.4% to 13.8%; varnishes and lacquers, and related products (32.09-B), from 27.4%, but not less than AS. 780 per 100 kgs., to 26.8%, but not less than AS. 760 per 100 kgs.; non-ionic surface-active agents (34.02-A), from 9.0% to 8.0%; chemical products for developing color films and color paper (37.08-A), from 9.0% to 8.0%; other photographic chemical products (37.08-B), from 18.0% to 16.0%; disinfectants, insecticides (ex. 38.11), from 18.0% to 16.0%; silica gel-colored, antifreeze and brake fluid (38.19-F), from 14.0% to 13.0%; other articles of hardened vulcanized rubber (40.14), from 26.4% to 24.8%; pigskin (41.05-B), from 10.0% to 9.0%; containers of iron or steel, other (73.23-B), from 23.0% to 21.0%; bolts and nuts (73.32), from 23.6% to 22.2%; air conditioning machines (84.12), from 14.4% to 12.8%; heat treatment equipment except water heaters (84.17-B), from 18.0% to 16.0%; centrifuges, filtering and purifying machinery, and related items (84.18-B), from 16.2% to 14.4%; shovel loading machinery (84.22-B), from 11.8% to 10.6%; other loading machinery (84.22-D), from 17.2% to 15.4%; lawn mowers (84.25-C-3), from 9.0% to 8.0;% paper making machinery (84.31), from 18.0% to 16.0;% paper cutting machines (84.33), from 16.2% to 14.4%; textile machinery (84.36), from 16.2% to 14.4%; pneumatic hand tools (84.49), from 14.4% to 12.8%; automatic vending machines (84.58), from 18.0% to 16.0%; bearing housing, and plain shaft bearings (84.63-A), from 19.6% to 17.2%; gaskets (84.64), from 16.2% to 14.4%; transformers weighing 3,000 kgs. or more each (85.01-C-1), from 14.4% to 12.8%; electric hand tools (85.05), from 19.8% to 18.6%; microphones and loudspeakers (85.14-A), from 18.0% to 16.0%; electric amplifiers (85.14-B), from 14.4% to 12.8%; combined transmission and receiving apparatus (85.15-B), from 18.0% to 16.0%; starters for fluorescent lamps (ex 85.19-B-4), from 18.0% to 16.0%; deaf aids—complete appliances (90.19-B-1), from 11.8% to 10.6%; other electrical measuring and control apparatus (90.28-B), from 17.2% to 16.4%; tape-sound recorders (92.11-A-1), from 25.6% to 23.9%; automatic record changers (92.11-A-2), from 9.0% to 8.0%; other record changers (92.11-A-3), from 24.4% to 21.8%; other sound recording machines not found to 92.11-A (92.11-B), from 17.2% to 15.4%; other parts and accessories for parlor games (97.04-D-2), from 18.0% to 16.0%.

For further information concerning the above tariff items, or any other Austrian tariff item involved in the Kennedy Round negotiations, exporters may contact the nearest Commerce Department Field Office or write to the Office of International Regional Economics, Department of Commerce, Washington, D.C. 20230.

Brazil devalues again

Effective Dec. 9, the Central Bank adjusted the exchange rates of the new cruzeiro to the following U.S. $1 equivalents: 3.805 buying and 3.830 selling. The adjustment represents a devaluation of 1.74 and 1.59%, respectively. This is the third small devaluation since the flexible exchange system was introduced in August (see *International Commerce*, Sept. 30), and follows the last devaluation by 20 days.

Peru retains surcharge which was to expire in January

The Peruvian Government recently announced retention of a 10% surcharge on the value of certificate exchange applied to non-essential transactions, including all imports except staple foods, medicines, fuels, newsprint and books. Prior to the amendment, the law called for a reduced surcharge of 5% from the end of November until the end of January 1969, when the surcharge was to terminate.

Now, most transactions in the certificate market will continue at an effective exchange rate of 42.57 soles to the dollar, which is the official (certificate) rate of exchange of 38.70 soles to the dollar plus an additional 10% ad valorem. Dropping the level of the surcharge would have increased the gap between the effective certificate rate and the draft rate. The latter rate varied slightly between 44.63 and 44.67 soles to the dollar during the first week of November.

The law as amended does not specify a terminal date, but it does provide for use of the proceeds after the end of January 1969.

Canada firm loses U.S. export rights

Joseph Lewo of Montreal, Canada, and J. L. International, Ltd., a firm he operates, have been denied all U.S. export privileges for an indefinite period for failure to furnish information regarding their participation in a transaction involving U.S. electronic equipment.

According to the U.S. Commerce Department's Bureau of International Commerce (BIC), during 1966 and 1967 Lewo negotiated with a New Jersey supplier to purchase $14,000 worth of electronic tubes, some of a strategic nature. He suggested to the supplier various ways of having the tubes exported from the United States. In November 1967 the New Jersey supplier received an order for the identical items from a West German dealer with whom it had no previous contacts. It was apparent that Lewo and his firm were involved in this order.

BIC is seeking to find on whose behalf Lewo negotiated for the tubes and their intended ultimate destination. In accordance with BIC regulations, written questionnaires were submitted to Lewo and his firm seeking the desired information. When they failed to respond or give reason for failure to do so, the denial order was issued. The restrictions will remain in effect until the questions are answered. In the meantime, their agents, employees and representatives are denied transactions involving commodities or technical data exported or to be exported from the United States.

To prevent evasion of the order the restrictions were made applicable to Canex Limited, of Montreal, a firm controlled by Lewo and of which he is president.

Germany increases science budget

Science, research expenditures will grow to $983 million

Promotion of science and research in pursuance of a future-oriented national policy has resulted in a $86.8 million increase for science expenditures in the 1969 budget of the Federal Republic of Germany, boosting the total to $983 million. The allocation to the Federal Ministry for Scientific Research increased 13.4% to $540 million and is expected to increase 20% annually until 1972.

The increase in funds for science is due to the demand for university expansion and greater emphasis on nuclear and space research. In addition, the Federal Government will provide increased support for the development of new technologies, such as applied mathematics and technically-oriented natural sciences.

There are four major categories of funding for science expenditures:

- General Scientific Research ($246.6 million) will be used primarily for the expansion of existing scientific institutions ($182.5 million). The remainder will be allocated for the construction of new universities, the operation and administration of the German Research Association and the Max Planck Society, the construction of regional computation centers by the German Research Association, and marine research.
- Nuclear Research and Technology ($182 million) provides funds for the operation and physical expansion of the nuclear research centers at Karlsruhe, Juelich, Munich and Hamburg, and for the support and promotion of work outside these centers, priority given to nuclear physics, nuclear and radiation chemistry, and nuclear biology. The assurance of uranium supplies; the development of fuel cycles, reactor safety and radiation protection; and the development and construction of experimental reactors are to be supported, and contributions will be made to international organizations.
- Space and Aviation Research ($92.5 million) funds are allocated to the latter in as much as responsibility for the basic financing of the German Society for Aviation Research is vested in the Federal Ministry of Scientific Research. Space research as specified in the Ministry's medium-term (1967-71) program encompasses extraterrestrial research, space research and technology, the implementation of satellite and probe projects (i.e., a world-wide communications satellite system), the establishment and operation of testing and ground stations, and contributions for international organizations.
- Data Processing and New Technologies ($17.5 million). A program for the promotion of data processing was outlined by the Cabinet Committee for the Promotion of Scientific Research, Education and Training for the period 1967-71. $15.9 million of the above amount is to cover research and development in technologies and systems programming, new applications of data processing installations with emphasis on governmental and scientific requirements, the development of nuclear data processing, and the operation and expansion of the Society for Mathematics and Data Processing, Bonn. An additional $4 million is allocated under General Scientific Research (see above). Funds allocated for New Technologies are for the most part for those technologies outside the major categories, specifically nuclear, space and defense research.

International Finance Corp. invests in group promoting Colombia's tourist industry

International Finance Corporation, the World Bank affiliate that invests in private enterprises in developing member countries, has joined a broad group of Colombian public and private organizations in sponsoring a company formed to develop Colombia's tourism potential.

The commitment is IFC's first under a new policy of investing in specialized promotional companies whose purpose is to prepare the groundwork for, organize, and help launch full-scale projects that will contribute to the economies of developing nations.

The new Colombian company, Compania de Desarrollo de Hoteles y Turismo Limitada (Hoturismo), is being established to plan, promote and assist in setting up hotel and other tourism projects; mobilize technical and financial sponsors for individual ventures; and foster an integrated tourist program.

Hoturismo was incorporated with an initial capital of 1.3 million Colombian pesos ($78,000). The 13 sponsors, including IFC, subscribed equally to the capital.

This is IFC's third tourism investment. In October of this year the Corporation committed $2.9 million to an $8.5 million convention and tourist hotel project in Kingston, Jamaica. In December 1966, it committed $3.4 million equivalent to a $6.7 million hotel and game lodges project in Kenya.

New Zealand eases import rules for new plant and machinery

Other items may be exempted from controls at industry request

The official New Zealand Customs Bulletin has announced the Government's intention to be more liberal in issuing import licenses for new plant and machinery. Licenses for many types of such machinery and equipment continue to be granted on an individual basis, and to enable industry to take advantage of the most efficient methods of production, the Government has decided to grant licenses liberally for new equipment that is not available from domestic sources.

The Bulletin stated further that licenses for replacement machinery will not be refused because of the foreign exchange involved. However, where a significant change or addition to productive capacity is planned, the implications for other domestic manufacturers and developing industries would be given consideration.

New Zealand companies likely to benefit from this liberalization were urged to lodge an application for an import license with the Collector of Customs.

The Bulletin also listed a number of items of machinery which would be exempted from import controls subject to representations from local industry against such exemptions. Such objections, which were to have been submitted by Nov. 15, would be referred to the Emergency Protection Authority for inquiry and report. However, no fixed date was specified for making the exemptions effective.

The list includes certain types of bookbinding machinery, paper cutting machinery, glassworking machinery, printing machinery, textile machinery, machine tools, compressors, evaporators and condensers, X-ray generators and tubes, and concrete vibrators.

New Zealand's improved balance of payments position and the Government's desire to see local industry become as efficient as possible no doubt provided the impetus for this more liberal import policy.

Copies of the Bulletin are available from the Far Eastern Division, Bureau of International Commerce, U.S. Department of Commerce, Washington, D.C. 20230.

U.S. licensees sought by five foreign manufacturers for varied products

Names and addresses available from Commerce Department; items include polyester tanks, cutter insert for sewage pumps

German, Italian and Swedish firms seek U.S. licensees to produce and distribute materials handling equipment, glass fiber reinforced polyester tanks, hydrostatic torque motor, slippers and sandals, and cutter insert for sewage pumps.

For additional details and the name and address of the firm, write the Office of International Investment, code 874, Bureau of International Commerce, Department of Commerce, Washington, D.C. 20230, referring to the appropriate File number assigned each opportunity listed below.

• An Italian company is seeking a U.S. licensee to produce its special motorized device used especially in the movement of concrete and other materials at construction sites.

The device moves along a mono-rail arrangement from the area at which the material is stored or prepared, to the area at which it is used. **File 1695.**

• A Swedish company wants to sell to a U.S. firm its patent rights for a new labor-saving method used in the manufacturing of polyester tanks.

These glass fiber reinforced polyester tanks are used for oil and other liquids and as air and ventilating ducts, sewage pipes, and related tubular products. The method is said to permit substantial reduction in production, time and cost. **File 1696.**

• A West German manufacturer is seeking a U.S. firm to produce its hydrostatic torque motor for which it is now seeking a U.S. patent.

The unique motor is reported to have a wide range of applications in ships, industrial installations, building construction, and in civil engineering.

A licensing arrangement has been made with a Danish company to produce and distribute this motor throughout the Scandinavian countries and in Great Britain. **File 1697.**

• A German company would like for a U.S. firm to produce its line of fashionable health slippers and sandals.

These products are marketed under a trade name which is protected in many countries.

Registration in the U.S. has been applied for by the firm. **File 1698.**

• A West German pump manufacturer has expressed an interest in granting a license for the manufacture and marketing in the U.S. of its patented cutter insert for sewage pumps which, according to the firm's statement, renders clogging impossible.

The cutter, with connections from 1½ to 12 inches, can be used in any type of waste water pumping and lifting plant. It can chop nylons, fist-sized stones, long bolts and pipes, hoses several feet long, rags, bottles, pieces of wood, and large sheet metal cans, whether the items are in bundles or passing through the waste water plant singly.

The firm states the power consumption is not much more than that of standard sewage impeller pumps. **File 1561-R.**

Arrangement with U.S. firm sought by Italian concern

A recently established Italian firm, specializing in the field of surface treatment, desires to obtain licenses from U.S. producers of products, processes, or equipment in vacuum metallizing, chemical plating, conversion coating, chemical vapor deposition, chemical milling, metal surface coloring, and other specialized products.

The firm, though small, claims considerable technical expertise in its partners, one of whom is a former Fulbright scholar and is skilled in high vacuum techniques. The second partner brings to the firm 18 years of marketing and management experience in chemicals with an affiliate of a major U.S. firm.

The firm has access to ample skilled labor, power and transportation facilities.

Write: Surface-Trattamento delle Superfici, I 53027, San Quirico d'Orcia (Siena), Italy. WTD.

French firm seeks license to make swimming pools

A French manufacturer of sheet and structural steel construction items since 1919 is now interested in manufacturing steel residential swimming pools and seeks licensing arrangements with a U.S. firm.

The company is presently producing and assembling large-size community swimming pools.

Write: Mr. Dieudonne, Forges de Strasbourg, 75 Allee de la Robertsau, 67 Strasbourg, France. WTD.

Belgian importer, distributor of spirits wants collaborator

A Belgian firm primarily engaged in import and wholesale distribution of wines and spirits seeks United States collaboration. It occupies sizeable premises convenient to the Brussels airport.

Write: Werner Neirinck, Managing Dir., Les Caves de Beaulieu S.A., 1385 Chaussee de Haecht, Haren-Brussels. WTD.

ADB gets $20 million from Japanese Government

The Asian Development Bank (ADB) has accepted the Government of Japan's offer of 7.2 billion yen ($20 million) for the Consolidated Special Funds of the Bank. The amount, which represents the first contribution of capital for the Bank's Special Funds, will be used primarily for concessional lending.

The contribution will be allocated to the Agricultural Special Fund, to be used mainly in Southeast Asia for financing the special operations of the Bank in the field of agricultural development, including forestry, fisheries and agriculturally related industries.

The board of directors of the Bank accepted in principle, early in 1967, the idea of an Agricultural Special Fund to be administered by the Bank—as originally proposed by the Conference on Agricultural Development in Southeast Asia held in Tokyo in December 1966.

ADB President Takeshi Watanabe notes that the first capital contribution to the Bank's Special Funds has come from a regional member country which has played a major role in the establishment and funding of the ADB, and the contribution will enable the Bank to meet a broader range of the region's development needs.

German companies look for U.S. links with four proposals

Four German firms seek licensing agreements to make products related to their current fields of activity. Their interests range from water purification equipment and filters, hydraulic dredges, precision mechanical measuring and controlling equipment, and machinery for the chemical, pulp and paper industries.

To obtain additional information about these opportunities, interested U.S. firms should correspond directly with the German manufacturers.

● Established in 1813, a German manufacturer of boilers, compressors, stamped and enameled parts, and fabricated steel plate seeks a licensing agreement.

The company is interested in the production of water purification equipment, filters for swimming pools, and oil, air and fuel filters for the automotive industry. It employs about 250 and reports annual sales of approximately $2.5 million.

Write: Mr. Herrn Schuler, Eisenwerk Fraulautern A.G., 6630 Saarlouis-Fraulautern, Germany. WTD.

● A license to manufacture newly developed hydraulic dredges is sought by a large Berlin producer of dredges, ship cranes, loaders and locomotives.

The German firm employs about 7,000 including 140 traveling salesmen. It exports about 45% of its production to 84 foreign countries.

Write: Orenstein-Koppel und Lubecker Maschinenbau AG, 144-208 Brunsbutteler Damm, 1 Berlin 20, Germany. WTD.

● A German producer of laboratory and scientific balances and scales is seeking licenses for the manufacture of precision mechanical measuring and controlling instruments.

The firm, a member of the Swiss Mettler Group with a subsidiary in the U.S., employs 85 and has an annual sales volume of $1.5 million.

Write: Mettler-Waagen GmbH, Giessen, Germany. WTD.

● A well-established German producer of machinery and equipment for the chemical, pulp and paper industries seeks a license from a U.S. manufacturer which produces advanced and special purpose machinery in this same field.

The German firm specializes in the production of reaction towers, distilling columns, tanks of various types, heat exchangers, autoclaves, valves and piping systems, conveyors screws, heat and SO2 recovery plants, acid plants, furfural and alcohol plants, and complete factories for the pulp/paper industry as well as for the production of fodder yeast.

Write: Fritz Voltz Sohn, 6000 Frankfurt 90, Solmsstr, 56-58, Frankfurt, Germany. WTD.

Swiss firm wants license to manufacture machinery

A medium size Swiss manufacturer of high precision machine tools is seeking a licensing arrangement to produce U.S. machinery.

The firm specializes in the manufacture of precision high speed lathes; horizontal, universal and vertical milling machines; radial milling; knife and surface grinding machines.

Established in 1916, the firm currently employs about 180, including five traveling salesmen.

Write: Werkzeugmaschinenfabrik Reiden AG, 6260 Reiden.★ WTD.

Investment Assistance

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations published in the Federal Register for Jan. 3, as amended.

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. A (*) following the name of the foreign firm indicates that additional information is available from the above address.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington, D.C. 20230 or the nearest Department of Commerce Field Office.

British firms want license agreements

Two U.K. firms seek licensing agreements with U.S. firms to manufacture a variety of products.

● A British engineering company currently manufacturing and distributing a wide range of forging equipment of its own designs, seeks licenses for the manufacture in the U.K. of machinery for plastics, powdered metals, foundry equipment, heavy packaging, food processing, steel works plant, and die casting.

The firm, with over 500 employees has well equipped machine shops, cranes with capacity up to 90 tons, hydraulic and electronic controls and assemblies, and design and sales facilities.

Write: Managing Director, B & S Massey Ltd., Openshaw, Manchester, M11 2LA, England. WTD.

● A well established and expanding British group of companies wants licenses from U.S. firms to manufacture in the U.K. processing plant and equipment for the food and drink industries.

Specific items of interest include food preparation plant, cooking plant, canning, filling, labeling and cartoning equipment, brewery plant and equipment, continuous hydrostatic cooker-coolers, and garbage disposal equipment.

The British firm established in 1927 has 800 employees, and currently is active in the fields of marine engineering, industrial and chemical plant fabrication, and mechanical handling equipment.

Write: Mr. A. L. King, Project Sales Engineer, Rye-Arc Ltd., 66 Mark Lane, London, E.C. 3, England.★ WTD.

ADB to seek arrangements to issue bonds in Germany

The Asian Development Bank (ADB) has announced its intentions to seek arrangements for a bond issue in Germany next year.

Takeshi Watanabe, ADB president, indicated recently that the present situation on world capital markets made it probable that the Bank would start its borrowing in Europe, noting in particular that the German capital market over the past several years has become a most important source of funds for international financing.

Germany is the largest European shareholder in the ADB with a capital subscription of $33 million.

World Trade Opportunities Continued through page 35

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $4.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

The listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the Comprehensive Export Schedule or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

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Sales Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.

012 Fruit, tree nut, vegetable farms

MALAWI—Seeds: vegetable and flower suitable for tropical growth. Daud Issa & Co. (dealer), P.O. Box 4, Lilongwe. WTD 11/68.

203 Canning, preserving foods

AUSTRALIA—Gourmet foods and dessert specialties such as canned cherries, grapefruits, salad dressings and sauces, cranberry sauce, canned figs, dates. Direct purchase and agency. Exclusive Food Houses (distributor, exporter, importer), P.O. Box 19, Ormond, Victoria. WTD 5/68.

ENGLAND—King prawns, squid, Alaskan crabs, peeled prawns, cohoe salmon (silvers) red snappers. Young's Seafoods Ltd. (producer, exporter, importer), Mountbarrow House, Elizabeth St., London, S.W.1. WTD 11/68.

ETHIOPIA—Canned foodstuffs for sale to supermarkets. Representation and direct sale. M. H. Mosesson (importer, commission agent), P.O. Box 1692, Addis Ababa. WTD 11/68.

221 Broad woven fabric mills, cotton

MALAWI—Cotton textiles in bright designs for low-income African clothing; khaki drills, denim. D. H. Gelu Ltd. (wholesaler), P.O. Box 22, Lilongwe. WTD 11/68.

227 Floor covering mills, products

GERMANY—Carpets, carpet tiles, plastic floor coverings. Uwe Benecke (importer, sales agent), Grapengiesserstrasse 36, 314 Luenburg. WTD 11/68.

233 Women's, misses', juniors' outerwear

MALAWI—Dresses of high bulk, polyester fabric, all patterns, colors. Daud Issa & Co. (dealer), P.O. Box 4, Lilongwe. WTD 11/68.

234 Women's, misses', children's, infants' under garments

MALAWI—Women's, misses', children's, infants' underwear, night wear. Daud Issa & Co. (dealer), P.O. Box 4, Lilongwe. WTD 11/68.

239 Fabricated textile products

TRINIDAD, W.I.—Wire framing and pads for the manufacture of brassieres. Brunetta Ltd. (importer, wholesaler, exporter, manufacturer), 90 Frederick St., Port of Spain. WTD 11/68.

241 Logging camps, logging contractors

SWITZERLAND—Rough, round, hewn or riven primary forest and wood raw materials made from red cedar, Douglas wood. Direct purchase and agency. Ernst Gerber (exporter, agent), Terrassenstrasse 14, 4144 Arlesheim. WTD in preparation.

243 Millwork, veneer, plywood, prefabricated structural wood products

MALAWI—Oregon structural timber; plywood; for construction. Shire Construction Co. (construction work), P.O. Box 129, Lilongwe. WTD 11/68.

249 Wood products

MALAWI—Hard-pressed wood fiber board for building. Shire Construction Co. (construction work), P.O. Box 129, Lilongwe. WTD 11/68.

261 Pulp mills, products

SWITZERLAND—Wood pulp soda and bisulfite bleached, semi- or unbleached; fiber pulps made from waste paper; mechanic flash dried paste made from wood. Direct purchase and agency. Vipa SA (exporter, agent), Attn: Mr. Etienne Schwabacher, Avenue Villamont 19, 1001 Lausanne. WTD in preparation.

262 Paper mills, products

TANZANIA—Printing paper. Thakers Ltd. (importer), P.O. Box 937, Dar es Salaam. WTD in preparation.

264 Converted paper, paperboard products

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ETHIOPIA—Toilet paper. Direct purchase and agency. M. H. Mosesson (importer, commission agent), P.O. Box 1692, Addis Ababa. WTD 11/68.

TANZANIA—Office stationery of all kinds. Thakers Ltd. (importer), P.O. Box 937, Dar es Salaam. WTD in preparation.

281 Industrial chemicals

GERMANY—Raw material with high alumina content, synthetic mullite, corundum, sillimanite corundum. Requests price quotations c.i.f. Rotterdam. Heinrich Koppers GmbH. (importer, exporter, sales agent, manufacturer), 4 Duesseldorf-Heerdt, Wiesenstrasse 61. WTD 8/68.

282 Synthetic materials

NETHERLANDS—Thermoplastic raw materials, polyethylene and polystyrene. Direct purchase and agency. Plastropa (importer, exporter, agent, transit trader), Attn: Mr. M. Kleinjan, Mgr., 111 Hoogstraat, Rotterdam-1. WTD 11/68.

283 Drugs

THAILAND—Dextrose anhydrous powder b.p. for pharmaceutical preparations. Requests samples and c.i.f. Bangkok prices. Bangkok Overseas Brothers Ltd. Partnership (importer, distributor, commission agent), 158/8 Charasmuang Rd., Bangkok. WTD 11/68.

284 Soap, detergents, cleaning preparations, perfumes, cosmetics

MALAWI—Toilet articles for men, women. Catalogs, prices in £ sterling requested. Gill Bros. (wholesaler, retailer), P.O. Box 29, Lilongwe. WTD 11/68.

287 Agricultural chemicals

PORTUGAL—Disinfectants, herbicides, fertilizers, other agricultural chemicals. Direct purchase and agency. SOGERE- Sociedade Geral de Representacoes, Lda. (Importer, wholesaler, distributor), Avenida Guerra Junqueira 12-3-Dto., Lisbon 1. WTD in preparation.

301 Tires, tubes

MALAWI—Bicycle tires, tubes, size 28" x 1½". Daud Issa & Co. (dealer), P.O. Box 4, Lilongwe. WTD 11/68.

307 Plastic products

GERMANY—Plastic construction material as siding panels, insulating tiles. Direct purchase and agency. Bardo GmbH (importer, wholesaler, sales agent), 6630 Saarlouis, Postfach 141. WTD 11/68.

316 Luggage

MALAWI—Strong lower priced suitcases. Faud Issa & Co. (dealer), P.O. Box 4, Lilongwe. WTD 11/68.

321 Flat glass

MALAWI—Plain window glass, 10 x 12". D. H. Gelu Ltd. (wholesaler), P.O. Box 22, Lilongwe. WTD 11/68.

322 Glass, glassware

MALAWI—Domestic and kitchen glassware; whole lines, close-offs. Catalogs, prices in £ sterling requested. Gill Bros. (wholesaler, retailer), P.O. Box 29, Lilongwe. WTD 11/68.

323 Glass products

MALAWI—Glasses, bowls, ovenware for household use, including unbreakable, heat-resistant. Catalogs, prices in £ sterling requested. Hardware & Ironmongeries Supply Co. Ltd. (hardware dealer), P.O. Box 473, Blantyre. WTD 11/68.

326 Pottery, related products

MALAWI—Household crockery, whole lines including seconds. Catalogs, prices in £ sterling requested. Hardware & Ironmongeries Supply Co. Ltd. (hardware dealer), P.O. Box 473, Blantyre. WTD 11/68.

331 Steel mill products

MALAWI—Steel nails; galvanized wire; corrugated iron sheeting; angle iron. Catalogs, prices in £ sterling requested. Hardware & Ironmongeries Supply Co. Ltd. (hardware dealer), P.O. Box 473, Blantyre. WTD 11/68.

Steel nails for construction work. D. H. Gelu Ltd. (wholesaler), P.O. Box 22, Lilongwe. WTD 11/68.

● **PAKISTAN**—Steel plate, 2,143 long tons, in 12 specifications. Tender PR-I/68/Wag./9; bid deadline Jan. 10. Secretary, Railway Board, Govt. of West Pakistan, PWR Headquarters, Empress Rd., Lahore.

PORTUGAL—Stainless steel products such as bars, sheets, strips, plates, wire, tubing, pipe. Direct purchase and agency. A. Spratley da Silva & Filhos, Lda. (importer, commission merchant, sales agent), 144 Rua do Campo Alegre, Oporto. WTD in preparation.

TAIWAN—Electrolytic tin plate culls, 18" x 24" and larger, base weight 75/100 lbs., bright finish, should not contain double reduced sheets. National Hsin Ho Hsing Co., Ltd. (importer), 43 Lane 79, Taiyuan Rd., Taipei. WTD 6/68.

335 Rolling, drawing, extruding of non-ferrous metals

MALAWI—Aluminum sheeting for building purposes. Prices in £ sterling requested. Hardware & Ironmongeries Supply Co. Ltd. (hardware dealer), P.O. Box 473, Blantyre. WTD 11/68.

● **TRINIDAD**—Aluminum conductor, seven strand, 4/0, Bare 100,000 lbs. Tender No. 1552, bid deadline Jan. 31. Trinidad and Tobago Electricity Commission 63, Frederick St., Port of Spain.★ (Telephone: 202-967-4579).

336 Nonferrous foundries

MALAWI—Aluminum household, kitchen utensils. Catalogs, prices in £ sterling requested. Gill Bros. (wholesaler, retailer), P.O. Box 29, Lilongwe. WTD 11/68.

342 Cutlery, hand tools, general hardware

FRANCE—Compressed air pistol to drive steel nails into concrete, with portable compressor. Requests replies in French. Quincaillerie Feraud (importer, wholesaler, retailer), 71 Bld de la Liberation, 13- Marseille, 1er. WTD 11/68.

MALAWI—Hand and edge tools, for carpentry, motor maintenance; cheap knives, forks, spoons for table and kitchen; garden tools, hand-use. Catalogs, prices in £ sterling requested. Hardware and Ironmongeries Supply Co. Ltd. (hardware dealer), P.O. Box 473, Blantyre. WTD 11/68.

Kitchen, table cutlery; including job lots, seconds; vacuum jugs, flasks, bottles. Catalogs, prices in £ sterling requested. Gill Bros. (wholesaler, retailer), P.O. Box 29, Lilongwe. WTD 11/68.

344 Fabricated structural metal products

● **IRAN**—Supply four sets of heat-exchangers and auxiliary equipment. Tender No. 1365/47, bid deadline Feb. 5.

One set of specifications available for reference only, not for loan, from the Power & Electrical Equipment Division, BDSA, Room 4124, Department of Commerce, Washington, D.C. 20230.★ (Telephone 202-967-4241).

MALAWI—Corrugated iron sheeting for roofing. D. H. Gelu Ltd. (wholesaler), P.O. Box 22, Lilongwe. WTD 11/68.

346 Metal stampings

MALAWI—Enameled ware, porcelain, kitchen and table items. Catalogs, prices in £ sterling requested. Gill Bros. (wholesaler, retailer), P.O. Box 29, Lilongwe. WTD 11/68.

Tool boxes, metal. Catalogs, prices in £ sterling requested. Hardware & Ironmongeries Supply Co. Ltd. (hardware dealer), P.O. Box 473, Blantyre. WTD 11/68.

351 Engines, turbines

● **CYPRUS**—Supply, erect, test and maintenance for 12 months; one each 30,000 kw. steam turbo alternator and auxiliary equipment. Tender No. 1895/11, bid deadline Mar. 14.

Specifications available for approximately $48 from the Electricity Authority of Cyprus, P.O. Box 1466, Nicosia.★ (Telephone: 202-967-4241).

● Manufacture, supply, testing, packing, delivery, erection, commissioning and maintenance for 12 months of steam generating plant to be installed and interconnected to existing plant for extension to Moni Power Station. Tender No. 1895/10, bid deadline Mar. 14 at 12 noon.

Short precis describing extent of contract available on application to The Electricity Authority of Cyprus, P.O. Box 1466, Nicosia or Preece and Rider, Paston House, 165/167 Preston Rd., Brighton BN1 6AF, England.★ (Telephone: 202-967-4241).

GREECE—Gas and steam turbine sets; diesel engines. Requests inquiries with f.o.b. port of shipment price quotations. Exclusive agency. John N. Stamatiou (importer, distributor, sales agent), 72 Third September St., Athens 103. WTD 10/68.

352 Farm machinery

PORTUGAL—Agricultural implements and machinery, including tractors, combines, cultivators. Direct purchase and agency. SOGERE-Sociedade Geral de Representacoes, Lda. (importer, wholesaler, distributor), Avenida Guerra Junqueiro 12-3° Dto., Lisbon 1. WTD in preparation.

TRINIDAD, W.I.—Agricultural hand sprayers. K.O. Agricultural Supplies (importer, wholesaler, retailer), Corner Eastern Main Rd. and Perseverance St., San Juan. WTD 11/68.

353 Construction mining, materials handling machinery, equipment

● **MALAYSIA**—Bids are invited for the supply of the following equipment with the closing date of receiving tenders shown against each item: Four 4-wheel drive heavy duty

tipper five ton net payload—Jan. 27; four heavy duty trucks (rear axle drive) 3 to 5 tons net payload—Jan. 28; two flat track type shovel loader (traxcavators)—Jan. 29, 1969.

The Director, Drainage & Irrigation Div., Ministry of Agriculture & Cooperatives, Jalan Swettenham, Kuala Lumpur.★ (Telephone: 202-967-5566).

354 Metalworking machinery

GERMANY—All kinds of automotive maintenance equipment. Motservice Gesellschaft fuer Werkstatteinrichtung mbH (distributor), 49 Niedermuehlstr., 6148 Heppenheim-Bergstr. WTD 11/68.

● **INDIA**—Boring and milling machine: 130 mm. spindle, 30 or 36 hp and 800 x 7600 mm. table. Tender No. C1/NS/68/C/M & P/67-68/906 (I.S.M. Ref. No. D/ENQ/2602), bid deadline Dec. 27.

Jig borer and milling machine: 1024 x 1570 mm. table, 1400 mm. table travel, 1000 mm. spindle head travel, 900 mm. vertical travel. Tender No. C1/NS/68/C/M & P/68-69/910 (I.S.M. Reference No. D/ENQ/2604), bid deadline Dec. 20.

Heavy duty vertical milling with 1000 x 2400 mm. table. Tender No. C1/NS/68/C/M & P/67-68/909 (I.S.M. Ref. No. D/ENQ/2603), bid deadline Dec. 24.

Global Procurement. Chittaranjan Locomotive Works, Chittaranjan, West Bengal, India. Tender documents are available from Chittaranjan for $3.50, $1.50, and $1.50, respectively.

PORTUGAL—Power driven hand tools, including portable drills. J. Roma, Lda. (importer, wholesaler. distributor), Praca da Figueira 12-1°, Lisbon. WTD in preparation.

SWEDEN—Metalworking machinery used in shipbuilding, marine engine, ship machinery manufacture. Eriksbergs Mekaniska Verkstads AB (shipbuilding yard), Fack, S-402 70 Goteborg. WTD 11/68.

SWITZERLAND—All kinds of welding machines, apparatus; new products. Direct purchase and agency. Schweisstechnik AG (export, agent), Bahnstrasse 60, 8105 Regensdorf. WTD in preparation.

355 Special industry machinery

DENMARK—Electronic equipment, machinery for graphic industry; densitometers; color separation scanners (screen, halftone); control units. Grafisk Bureau v/Vagn Christensen (agent), 5 Bartkaer, Smorumnedre, 2760 Maalov. WTD 12/68.

JAPAN—Bias tape winding machines to wind various lengths of bias tape into small packs. Daiei Kigyo Kaisha, Ltd. (importer, exporter), 15-21 Marunouchi 3-chome, Naka-ku, Nagoya. WTD 9/68.

MADAGASCAR—Garment-making machinery for garment plant manufacturing ladies', girls' dresses, shirts, blouses. Requests replies in French. Engineering services desired. Compagnie Madecasse Commerciale (importer, manufacturer), 18 Rue Rainizanabololona, Boite Postale No. 567, Tananarive. WTD 11/68.

MALAWI—Handtools, compressor-powered, for woodworking; small plant machinery for making plywood; woodwork spindles. Shire Construction Co. (construction work), P.O. Box 129, Lilongwe. WTD 11/68.

TANZANIA—Printing machines. Thakers Ltd. (importer), P.O. Box 937, Dar es Salaam. WTD in preparation.

356 General industrial machinery

● **ARGENTINA**—Supply of valves for government owned electricity utility. Tender No. 2906, bid deadline Jan. 8. Specifications available in Spanish. Segba, Balcarce, 184, Room 443, Buenos Aires.★ (Telephone: 202-967-5589).

GUATEMALA—Exhaust fans, general industrial. Direct purchase and agency. Compania Guatemalteca de Aparatos Electricos, Ltda. (manufacturers' distributor), 10a. Calle 5-18, Zona 1-Apartado Postal 148, Guatemala City. WTD 5/68.

● **MALAYSIA**—One 360 c.f.m. to 380 c.f.m. free air delivery new portable rotary air compressor (diesel engine driven). Tender No. M.17, bid deadline Jan. 8. The Director, Drainage and Irrigation Division, Ministry of Agriculture and Cooperatives, Malaysia, Swettenham Road, Kuala Lumpur.★ (Telephone: 202-967-5589).

357 Office, computing, accounting machines

TANZANIA—Stapling machines, pencil sharpeners, duplicating machines, copying machines, modern office equipment, accessories, general office supplies, related products. Descriptive literature, price lists requested. Thakers Ltd. (importer), P.O. Box 937, Dar es Salaam. WTD in preparation.

358 Service industry machines

NORWAY—Commercial cooking and food warming equipment, other catering equipment for passenger ships. A/S Edco (distributor), Fred Olsens gate 1, Oslo 1. WTD 11/68.

PORTUGAL—Milk coolers. Auto Mecanica Progresso de Vale de Cambra, Lda. (manufacturer, importer), Vale de Cambra. WTD in preparation.

SWITZERLAND—All kinds of coin operated vending machines for cigarettes, chewing gum; novelties. Direct purchase and agency. Ch. Margot & Cie SA (exporter, agent), Margotabac, Bellefontaine 6, 1000 Lausanne. WTD in preparation.

Late Leads—Information received too late to be of value to bidders is published because many readers will find it of value in follow-up campaigns to sell complementary products and subsidiary services. Sometimes a cable to an agent on the scene will result in tie-in sales.

361 Electrical transmission, distribution equipment

● **ARGENTINA**—Supply, install, and start-up of transformer systems for the "9 de Julio" thermoelectric power unit in Mar del Plata, Province of Buenos Aires. Tender No. 154/68, bid deadline Jan. 21.

Budget for project approx. $75,000. Specifications available for approx. $35 from Agua y Energia Electrica, Lavalle 1554, Buenos Aires, Argentina. Correspondence preferred in Spanish.★ (Telephone: 202-967-4241).

● **CHILE**—Supply electrical connections for automatic fusion, 19 items for the ground network of the hydro-electric plant "El Toro." Tender No. N/N, bid deadline Jan. 11. Specifications available (in Spanish) for approx. $6 from "Endesa," calle Bancera 341, apt. 856, Santiago, Chile (IBRD credit No. 479-Ctl) one copy of specifications (in Spanish) for review only not for loan from the Power & Electrical Equipment Division, BDSA-Room 4124, Department of Commerce, 20230.★ (Telephone: 202-967-4241).

● **CYPRUS**—Supply, test, delivery, erection and maintenance for 12 months, transmission lines to be installed and interconnected to existing plant for extension to Moni Power Station Contract No. 1895/17, bid deadline Feb. 14.

Specifications available for approx. $48, nonrefundable, from Electricity Authority of Cyprus, P.O. Box 1466, Nicosia.★ (Telephone: 202-967-4241).

GERMANY—All kinds of inspection equipment for preventive maintenance. Direct purchase and agency. Classen & Co. (importer, sales agent), Jungfernstieg 51, 2 Hamburg 36. WTD 11/68.

PORTUGAL—High voltage electric apparatus, including circuit breakers, switches, transformers. Direct purchase and agency. J. Roma, Lda. (importer, wholesaler, distributor), Praca da Figueira 12-1°, Lisbon. WTD in preparation.

SWITZERLAND—Power switching equipment, apparatus for switchboards for industrial use. Requests replies in German. Direct purchase and agency. Stauber Automation (exporter, agent), Zimmerbergstrasse 7, 8803 Rueschlikon. WTD 6/68.

● **TANZANIA**—Supply of transmission and distribution line materials, approx. 800 miles of conductor; 60 miles of steel wire; 19,000 joints and clamps; 7,000 wood poles, kicking and brace blocks, 24 steel poles, miscellaneous pole steel work; 37,000 insulators (H.V. and L.V.), insulator fittings; 500 street lighting lanterns, lighting brackets; wooden ladders and linesmen's safety belts. Tender No. EM/10570/4/BM, bid deadline Jan. 8.

Specifications are available for approx. $60 from Balfour. Beatty & Co., Ltd., Bow Bells House, Bread St., London, E.C.4.★ (Telephone: 202-967-4241).

● **THAILAND**—Supply 22 sets distribution transformers, 167 kva. Tender No. MEA-PSD-143, bid deadline Jan. 10.

Metropolitan Electricity Authority, Purchase & Stores Div., 121 Chakraphet Rd., Bangkok.★ (Telephone: 202-967-4241).

362 Electrical industrial apparatus

● **MALAYSIA**—Two portable diesel engine-driven D.C. welders, providing 230 amps at 100% duty cycle and 300 amps at 60% duty cycle. Contract No. M16, bid deadline Jan. 2. The Director, Drainage and Irrigation Division, Ministry of Agriculture and Cooperatives, Swettenham Road, Kuala Lumpur.★ (Telephone: 202-967-2723).

SWITZERLAND—Electric and electronic controls, control accessories for industrial applications; electric apparatus, equipment to use for automation of industrial process machines. Requests replies in German. Stauber Automation (exporter, agent), Zimmerbergstrasse 7, 8803 Rueschlikon. WTD 6/68.

363 Household appliances

MALAWI—Spare parts for sewing machines, treadle type. Daud Issa & Co. (dealer), P.O. Box 4, Lilongwe. WTD 11/68.

364 Electric lighting, wiring equipment

ISRAEL—Aluminum reflectors, diameter 11"-13"; light beam angle: 3°-6°, electropolished, suitable for 200 w bulb. Supaco Engineering Supply Co. Ltd. (manufacturer, importer, ex-

porter), 15 Bitsaron St., P.O. Box 9006, Tel Aviv. WTD in preparation.

MALAWI—Electric fittings and parts: sockets, plugs, wiring for 220/240 volt, 50 cycle system. Catalogs, prices in £ sterling requested. Gill Bros. (wholesaler, retailer), P.O. Box 29, Lilongwe. WTD 11/68.

366 Communications equipment

● **CAMEROONS**—Supply of telephone exchanges ranging from 15 lines to 200 lines, VHF and UHF radio links and telephone distribution cables and fittings. Tender No. SUP/IBRD/68/1, bid deadline April 2. Tender documents may be obtained from the Commonwealth Development Corp., 33 Hill St., London, W1A 3AR.

PORTUGAL—Receiver-transmitter units. Direct purchase and agency. SOGERE-Sociedade Geral de Representacoes, Lda. (importer, wholesaler, distributor), Avenida Guerra Junqueiro 12-3 Dto., Lisbon 1. WTD in preparation.

367 Electronic components, accessories

KENYA—One half inch and one inch magnetic polyester or mylar recording tape to be supplied on a 14″ diameter drum for multichannel tape recording. Minni Cine Films (importer, wholesaler, retailer), P.O. Box 1910, Nairobi. WTD 2/68.

SWITZERLAND—Electronic components, accessories, all kinds, in particular digital equipment. Direct purchase and agency. Data and Control Engineering (import agent), Maurice Barbier, 9 Rue de la Fontaine, P.O. Box 386, 1203 Geneva 3. WTD 2/68.

369 Electrical machinery, equipment, supplies

PORTUGAL—Electromedical apparatus, including X-ray generators, accessories. Direct purchase and agency. J. Roma, Lda. (importer, wholesaler, distributor), Praca da Figueira 12-1°, Lisbon. WTD in preparation.

371 Motor vehicles, motor vehicle equipment

COLOMBIA—Parts and accessories for passenger cars and trucks. Request price quotations c.i.f. Barranquilla. Imporauto Limitada (importer, wholesaler), Apartado Aereo (airmail P.O. Box) 2974, Barranquilla. WTD 11/68.

MALAWI—Spare parts, accessories for automobiles, mostly foreign models. Daud Issa & Co. (dealer), P.O. Box 4, Lilongwe. WTD 11/68.

SWEDEN—Truck side walls and tailboard fasteners. Direct purchase and agency. Sutars AB (agent, exporter, importer), 6 Eddavagen, S-194 00 Upplands-Vasby. WTD 11/68.

374 Railroad equipment

● **CEYLON**—(100 Rupees = $16.81). Supply of a wheel turning machine capable of turning and reprofiling wheels 30″ to 48″ in diameter. Bid deadline Jan. 20. Tender forms may be obtained from Superintendent of stores, Ceylon Government Railway, Colombo, Ceylon for one hundred Rupees (this is a tender deposit).

Tender documents available for review only in Room 4021, Transportation Products Division, Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-4816).

● **PAKISTAN**—Supply of 310 broad-gauge (5 ft., 6 in.) bogies, ride control type, with brake riggings and top pivot plates, completely assembled.

Tender No. PR-I/68/Wag./8, bid deadline Jan. 21. Contact Secretary, Railway Board, Govt. of West Pakistan, PWR Headquarters (Room No. 19, Ground Floor), Empress Rd., Lahore.

Specifications and relevant drawings can be reviewed only in Room 4019, Transportation Products Division, Department of Commerce, Washington, D.C. 20230.★

● Supply of track-laying machinery: self-propelled vibratory ballast compactor, motor-driver, sleeper cross cutting, adzing and boring machine, portable abrasive rail cropper, portable multi-spindle rail drill, spikes double shank elastic, power wrench, and portable rail drilling machines.

Tender No. PR-I/68/TR/7, bid deadline Jan. 8. Contact Secretary, Railway Board, Govt. of West Pakistan, PWR Headquarters, Empress Rd., Lahore, West Pakistan.

Specifications and drawings can be reviewed only in Room 4019, Transportation Products Division, Department of Commerce, Washington, D.C. 20230.★

382 Instruments for measuring, controlling, indicating physical characteristics

GERMANY—All kinds of inspection equipment for preventive maintenance. Direct purchase and agency. Classen & Co. (importer, sales agent), Jungfernstieg 51, 2 Hamburg 36. WTD 11/68.

● **IRAN**—Supply of 500 water meters. Tender No. 04-02-01, bid deadline Jan. 4. Requested by Tehran Regional Water Board, Elizabeth II Blvd., Khiyaban Meykadeh, Tehran.

Conditions and technical specifications available from above address at a cost of 2000 Rials per copy (75.75 Iranian Rials = $1).

SWITZERLAND—Mechanic measuring, controlling instruments for industrial applications. Requests replies in German. Direct purchase and agency. Stauber Automation (exporter, agent), Zimmerbergstrasse 7, 8803 Rueschlikon. WTD 6/68.

384 Surgical, medical, dental instruments

● **ARGENTINA**—Government owned electric utility invites bids for purchase of 10,000 pairs of dieletric anatomic gloves for low tension use. Tender No. 2913, bid deadline Jan. 10. Copies of tender conditions and specifications available at 5,000 Argentine pesos per set (350 Argentine pesos = $1) from Segba, Balcarce 184, Room 443, Buenos Aires.

AUSTRIA—Workers' safety equipment, supplies of newly developed products only. O. Breitfeld (wholesaler, retailer), Alserbachstrasse 19, A-1090 Vienna. WTD 10/68.

CEYLON—Equipment used in hospital sterilization procedures. Requests literature, prices. Dr. N. Arsecularatne, Dept. of Bacteriology, Faculty of Medicine, University of Ceylon, Peradeniya.

● Supply of surgical gloves in the following quantities and sizes: 16,000 pairs, size 7½; 16,000 pairs, size 7; 4,800 pairs. size 6½. Bid deadline Jan. 28. Requested by the Department of Health, P.O. Box No. 584, Colombo.

Specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

● **MALAYSIA**—Supply of surgical instruments, ward equipment, clinic equipment, physiotherapy equipment, X-ray equipment, anaesthetic equipment and stores, ophthalmic equipment and accessories, pharmacy equipment, linen supplies, domestic and kitchen equipment, and various hospital and medical miscellaneous equipment and supplies for the New Sarawek General Hospital, Kuching. Bid deadline Mar. 5. Requested by The Chairman, Federal Divisional Tenders Board, Resident's Office, Kuching, Sarawek, Malaysia.

Copies of tender documents available from the Pharmaceutical Chemist, Central Medical Store, Kuching, Sarawek, Malaysia. Review copy available for inspection *only* in the Scientific and Business Equipment Division, Room 4120, BDSA-653, U.S. Department of Commerce, Washington, D.C.★ This copy cannot be sent out on loan.

387 Watches, clocks, parts

MALAWI—Watches, portable clocks. Catalogs, prices in £ sterling requested. Gill Bros. (wholesaler, retailer), P.O. Box 29, Lilongwe. WTD 11/68.

394 Toys, amusement, sporting goods

GERMANY—Toys for summer outdoor play. Direct purchase and agency. Wolfram Vollmer (manufacturer, exporter), 7 Stuttgart-Zuffenhausen, Porschestrasse 25. WTD 6/68.

395 Pens, pencils, office, artists' materials

TANZANIA—Pens, pencils, ballpens, desk sets, felt markers, stamp pads and ink, stencils, carbon papers, correcting tapes, all other office requisites. Thakers Ltd. (importer), P.O. Box 937, Dar es Salaam. WTD in preparation.

396 Costume jewelry, novelties, buttons, notions

MALAWI—Costume jewelry. Catalogs, prices in £ sterling requested. Gill Bros. (wholesaler, retailer), P.O. Box 29, Lilongwe. WTD 11/68.

399 Manufacturing industries

AUSTRIA—Novel fire fighting equipment, supplies for fire departments. O. Breitfeld (wholesaler, retailer), Alserbachstrasse 19, A-1090 Vienna. WTD 10/68.

JAPAN—Living room accessories, decorations such as gas and wood burning fire place and mantel accessories, wall accents, bric-a-brac. Aichi Co., Ltd. (manufacturer), 8, 3-chome, Akahagi-cho, Higashi-ku, Nagoya. WTD 11/68.

WALES—Buttons, braids, needles or similar dressmaking, tailoring products. Agency and direct purchase, view to possible manufacturing under license. Welsh Products Ltd. (distributor), Goatmill Rd., Dowlais, Merthyr Tydfil, Glamorganshire. WTD 11/68.

593 Antique, secondhand stores

MALAWI—Secondhand men's clothing, suits, jackets, topcoats; military type headgear, back-packs. Daud Issa & Co. (dealer), P.O. Box 4, Lilongwe. WTD 11/68.

Secondhand men's outerwear: topcoats, suits, jackets, pants. Gill Bros. (wholesaler, retailer), P.O. Box 29, Lilongwe. WTD 11/68.

Secondhand clothing for men: suits, topcoats, jackets. D. H. Gelu Ltd. (wholesaler), Kamuzu Procession Rd., P.O. Box 22, Lilongwe. WTD 11/68.

Brazil seeks suppliers of electrical equipment

Items required for expansion of four utility companies

Sealed bids will be received by the Companhia Auxiliar de Empresas Eletricas Brasileiras (CAEEB) at the office of its Coordenador de Compras, Avenida General Justo, 171, sobreloja, ZC-39, Rio de Janeiro, GB, Brazil, until 2 p.m. (local time) on Feb. 3, for the furnishing and delivery of reclosers, sectionalizers and oil interrupting switches, as described in CAEEB Specifications Nos. BX-A-11686-R, BX-A-11567-R, BX-A-11584-R, BX-A-11583-R and BX-A-11574-R (Bid No. 26).

The above products are required for the expansion of the subtransmission and distribution systems of four electric utility companies represented by CAEEB.

Bids must be submitted strictly in accordance with the instructions and specifications prepared by CAEEB, and in the forms furnished by the same.

These instructions, specifications and forms which comprise the bidding documents, will be available in both Portuguese and English and may be obtained only at the above address not later than 30 days after the publication of the invitation for bids, upon request to the coordenador de Compras, accompanied by a non-refundable payment of 30 new cruzeiros ($1 = NCr 3.77) per set of documents in the two languages.

A bid guarantee of no less than 5% of the value of the proposed material up to a limit of 280,000 new cruzeiros (NCr 280.000,00) or the equivalent in foreign currency is to accompany each bid.

Kuwait issues amendment on water tower project

Potential tenderers on the Kuwait Water Tower Project (INTERNATIONAL COMMERCE, Dec. 16, p. 35) are hereby notified that the bid announcement is amended to include the following information:

Construction shall be open only to specialized tenderers of high engineering caliber who have built at least one similar tower not less than 120 meters high and a prestressed concrete reservoir of not less than 4500 meters capacity within the past ten years.

Offers should be accompanied by attested certificates from owners of works testifying that tenderers executed a project or projects fulfilling the above conditions and as specified in detail in the tender itself. Offers not accompanied by such certificates shall be rejected.

Paraguay extends bid deadline

The Secretario General Administracion Nacional de Navegacion Y Puertos, Plazoleta De Isabel La Catolica, Asuncion, has extended the bid deadline for machinery and equipment for the expansion of the port of Asuncion, from Nov. 12 to Jan. 14. (INTERNATIONAL COMMERCE, Oct. 14, p. 36, SIC 353).

Sales Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

227 Floor covering mills, products

AUSTRIA—Carpets, rugs. Requests correspondence, catalogs in German, metric measurements. Alfred Schwarz (importer, wholesaler, retailer), Neulerchenfelderstr. 83, A-1160 Vienna. WTD 11/68.

229 Textile goods

AUSTRIA—Curtains, draperies, home decorating fabrics. Requests correspondence, catalogs in German, metric measurements. Alfred Schwarz (importer, wholesaler, retailer), Neulerchenfelderstr. 83, A-1160 Vienna. WTD 11/68.

249 Wood products

IVORY COAST—Cork tiling for building industry. Requests replies in French. M. Marc Desvernes, Directeur, Societe Lioniv (importer, distributor), B.P. 21031, Abidjan. WTD in preparation.

264 Converted paper, paperboard products

IVORY COAST—Tile board, wall and ceiling paneling. Requests replies in French. M. Marc Desvernes, Directeur, Societe Lioniv (importer, distributor), B.P. 21031. WTD in preparation.

281 Industrial chemicals

AUSTRIA—Industrial organic, inorganic chemicals of various kinds; auxiliary chemicals for plastics processing industry such as stabilizing agents, fillers, in bulk. Distributorship for Austria, East-European markets. Commenda Warenhandelsgesellschaft (importer, wholesaler, manufacturers' representative), Parkring 12, P.O. Box 118, A-1015 Vienna. WTD 11/68.

ITALY—Cement grinding aids; additives for concrete. Iter Chimica (manufacturer, dealer), Via G. Campi 19, 21047 Saronno (Varese). WTD 5/68.

IVORY COAST—Full line of inorganic, organic chemical products. Requests replies in French. M. Marc Desvernes, Directeur, Societe Lioniv (importer, distributor), B.P. 21031, Abidjan. WTD in preparation.

287 Agricultural chemicals

PAKISTAN—Agricultural chemicals including insecticides, pesticides. Society Nursery (importer, wholesaler, retailer, agent), Society Park, K. C. Dey Road, Chittagong. WTD 11/68.

306 Fabricated rubber products

IVORY COAST—Rubber tiling. Requests replies in French. M. Marc Desvernes, Directeur, Societe Lioniv (importer, distributor), B.P. 21031, Abidjan. WTD in preparation.

307 Plastic products

IVORY COAST—Plastic tiling, other building products for housing industry. Requests replies in French. M. Marc Desvernes, Directeur, Societe Lioniv (importer, distributor), B.P. 21031, Abidjan. WTD in preparation.

325 Structural clay products

IVORY COAST—Full line of building tiles for floors, walls, ceilings. Requests replies in French. M. Marc Desvernes, Directeur, Societe Lioniv (importer, distributor), B.P. 21031, Abidjan. WTD in preparation.

342 Cutlery, hand tools, general hardware

PAKISTAN—Garden hand tools. Society Nursery (importer, wholesaler, retailer, agent), Society Park, K. C. Dey Road, Chittagong. WTD 11/68.

345 Screw machine products

GERMANY—Special industrial fasteners for plastic, metal industries, prefers most recent technical developments. Reinhold "EWG" Metzger (sales agent, distributor), 600 Frankfurt/Main 70, Schuetzenhuettenstr. 77. WTD 11/68.

354 Metalworking machinery

GERMANY—Fastening machines, as riveting, inserting, others. Reinhold "EWG" Metzger (sales agent, distributor), 600 Frankfurt/Main 70, Schuetzenhuettenstr. 77. WTD 11/68.

355 Special industry machinery

PAKISTAN—Printing presses including multicolor, offset lithographic, rotary, letter presses. B. Chakraborty & Bros. (importer, wholesaler, retailer), Terribazar, Chittagong. WTD 12/67.

356 General industrial machinery

AUSTRIA—Air purification equipment, installations for air-raid shelters. G. J. Czech (importer, manufacturers' representative), Braunhirschengasse 49/3, A-1150 Vienna. WTD 11/68.

357 Office, computing, accounting machines

NICARAGUA—Standard typewriters, electric and non-electric. Exclusive distributorship. Manuel J. Riguero & Cia Ltda. Sucesores (importer, distributor, agent, retailer), Ave. Roosevelt Norte No. 303, Managua. WTD in preparation.

NIGERIA—Automatic check writers. Scan African Nigeria Ltd. (importer, distributor), 61 Broad St., P.O. Box 1792, Lagos. WTD 1/68.

PAKISTAN—Typewriters, calculating and accounting machines; duplicating and addressing machines. Whiteways (importer, wholesaler, retailer, agent), 121/5 Jubilee Rd., Yasmin Palace, P.O. Box 343, Chittagong. WTD 12/67.

358 Service industry machines

AUSTRIA—Air humidifiers for small air conditioning plants with electric evaporation. G. J. Czech (importer, manufacturers' representative), Braunhirschengasse 49/3, A-1150 Vienna. WTD 11/68.

Little things make the difference

"Quite often the difference in being successful and not being successful in a foreign market is that the successful firm is aware of and paying attention to the little things.

"These can be:

"Handling all overseas correspondence as quickly as possible:

"The ability to be understood in writing;

"Making certain that the sales literature and technical bulletins are in the language of the country;

"And tailoring the product to the customer's needs.

"To be successful in international trade takes more than a product and a desire to sell it. Often it is these little things that can make the big difference in overseas marketing."

—V. J. Borland, Export Manager, Quaker State Oil Refining Corp.

361 Electric transmission, distribution equipment

GREECE—Electric and electronic measuring instruments. Requests inquiries with f.o.b. port of shipment price quotations. Exclusive agency. John N. Stamatiou (importer, distributor, sales agent), 72 Third September St., Athens 103. WTD 10/68.

363 Household appliances

GUATEMALA—Exhaust fans, electric household. Compania Guatemalteca de Aparatos Electricos, Ltda. (manufacturers' distributor), 10a. Calle 5-18, Zona 1—Apartado Postal 148, Guatemala City. WTD 5/68.

365 Radio, television receiving sets

PAKISTAN—Household television receivers. Whiteways (importer, wholesaler, retailer, agent), 121/5 Jubilee Rd., Yasmin Palace, P.O. Box 343, Chittagong. WTD 12/67.

366 Communications equipment

GREECE—Telephone and telegraph apparatus and equipment; telephone exchange equipment; teletypewriters. Requests inquiries with f.o.b. port of shipment price quotations. Exclusive agency. John N. Stamatiou (importer, distributor, sales agent), 72 Third September St., Athens 103. WTD 10/68.

369 Electrical machinery, equipment, supplies

GREECE—Electromedical apparatus. Requests inquiries with f.o.b. port of shipment price quotations. Exclusive agency. John N. Stamatiou (importer, distributor, sales agent), 72 Third September St., Athens 103. WTD 10/68.

373 Ship building, repairing

GERMANY—Newly developed hydraulic dredges. Exclusive agency. Requests price quotations. Orenstein-Koppel und Lubecker Maschinenbau AG (manufacturer), 144-208 Brunsbutteler Damm, 1 Berlin 20. WTD 11/68.

381 Engineering, laboratory, scientific, research instruments

GERMANY—Scientific and research instruments, prefers new developments. Richard H. Stern Nuclear Div. (sales agent, distributor, importer, exporter), 600 Frankfurt/Main Kaiser Str. 13. WTD 4/68.

395 Pens, pencils, office, artist's materials

PAKISTAN—Stencil paper, spirit, and gelatin process master copies. B. Chakraborty & Bros. (importer, wholesaler, retailer), Terribazar, Chittagong. WTD 12/67.

399 Manufacturing industries

AUSTRIA—Floor, wall and ceiling coverings. Requests correspondence, catalogs in German, metric measurements. Alfred Schwarz (importer, wholesaler, retailer). Neulerchenfelderstr. 83, A-1160 Vienna. WTD 11/68.

IVORY COAST—Linoleum, asphalted-felt-base, other hard surface floor coverings. Requests replies in French. M. Marc Desvernes, Directeur, Societe Lioniv (importer, distributor), B.P. 21031, Abidjan. WTD in preparation.

Leads for Importers

Commodities are offered direct unless specified

201 Meat products

ETHIOPIA—Hides and skins. M. H. Mosesson, P.O. Box 1692, Addis Ababa.

284 Soap, detergent, cleaning preparations, perfumes, cosmetics

MALAYSIA—Mosquito repellent coils. Direct sales or through agents. Blood Protection Co. (M) Ltd. (manufacturer, exporter), 4821 Mak Mandin Industrial Estate, Permatang Pauh Rd., Butterworth, Province Wellesley. WTD 11/68.

Tanzania seeks bids for various pharmaceutical products

Bids are invited on 40 different items, including pharmaceutical products, blood transfusion sets and solutions; X-ray film and X-ray chemicals.

Bid deadline is Jan. 9.

Interested firms may obtain copies of the tender from the Central Tender Board, P.O. Box 49, Dar es Salaam, Tanzania or from the Chemicals Division, BDSA, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3394).

Visiting Buyers and Officials

Scheduled arrival dates and U.S. addresses indicated

ARGENTINA—Hugo Marcelo Warat, Warat S.A.I.C. y F., Canning 43, Buenos Aires, **interested in communicating with U.S. shirt manufacturers to negotiate licensing agreement and requesting technical information.** Dec. 23 via New York for one week. c/o Sheraton Park Hotel, 7th Ave. and 56th St., New York, N.Y. Itinerary: New York, Miami. WTD in preparation.

FINLAND—Esko Jusula, Oy Stockmann AB, Helsinki, **interested in purchasing hardware, garden equipment, kennel items, stationery, Christmas decorations, sport articles, foodstuffs.** Jan. 7 via New York for approx. three weeks. c/o Mutual Buying Syndicate, Inc., 11 W. 42nd St., New York, N.Y. 10036. Itinerary: New York, possibly Los Angeles or San Francisco. WTD 5/68.

TAIWAN—Ming-fang Lai, Export Manager, Tarzan Electric Factory Co. Ltd., and China Oceanic Development Corp., 187 Yung Chieh Road, Taipei, **interested in exporting Christmas decorated bulbs and light sets and in importing generator, electric equipment, elevator, washing machines, passenger car and construction materials for hotel.** Dec. 8 via Seattle for 50 days. c/o Albert V. Sadacca, World Wide Enterprises, 3838 W. 51st St., Chicago, Ill. 60632. Itinerary: Seattle, Chicago, Kansas City, New York, Boston, Washington, D.C., Miami, Houston, San Diego, Los Angeles, San Francisco. WTD in preparation.

Ireland seeks bids for supply, delivery of electrical equipment

Ireland is offering a tender for the supply, delivery and erection of the hydro-mechanical/electric main units for the Turbough Hill Co., Wicklow pumped storage scheme. The main units comprise pump turbines and motor generators. Tender No. B/D87/1/P. Bid deadline Feb. 14.

One copy of specifications available for reference only, not for loan, from the Power and Electrical Equipment Division, BDSA, Room 4124, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-4241).

Additional copies of the specifications may be secured by prospective bidders from the Electricity Supply Board, Lower Fitzwilliam St., Dublin 2, Ireland.

Honduran desires representation for grain processing equipment

Pedro Casanova E Hijos, S. De R. L. Apartado Postal 117, Cable "PECASANOVA" Tegucigalpa, urgently desires to obtain representation for large capacity grain dryers, grain cleaners, and conveyors, in order to prequalify for forthcoming tender. Prompt reply, to the above address, is requested.

Brazil calls for bids to furnish, deliver items for electric utility plants

Bidding documents available in Portuguese and English

Sealed bids will be received by the Companhia Auxiliar de Empresas Eletricas Brasileiras (CAEEB) at the office of its Coordenador de Compras, Avenida General Justo, 171, sobreloja, ZC-39, Rio de Janeiro, GB, Brazil, until 2 p.m. (local time) on Jan. 27, for the furnishing and delivery of meters, relays, instruments, instrument transformers, test equipment and accessories, as described in CAEEB Specifications Nos. BX-A-12073-R and BX-A-11570-R (Bid No. 24) required for the expansion of the subtransmission and distribution systems of four electric utility companies represented by CAEEB.

Bids must be submitted strictly in accordance with the instructions and specifications prepared by CAEEB, and in the forms furnished by the same.

These instructions, specifications and forms, which comprise the bidding documents, will be available in both Portuguese and English and may be obtained only at the above address not later than 30 days after the publication of the invitation for bids, upon request to the Coordenador de Compras, accompanied by a non-refundable payment of 100 new cruzeiros ($1 = NCr 3.77) per set of documents in the two languages.

A bid guarantee of no less than 5% of the value of the proposed material up to a limit of 740,000 new cruzeiros (NCr 740.000,00) or the equivalent in foreign currency is to accompany each bid.

Pakistan seeks suppliers of valves, other related items

The Engineer-in-Chief, Karachi Port Trust, Karachi is seeking suppliers of wedge gate valves and expansion joints for fuel oil mains; sluice valves, drinking water fountains and water meters for fresh water mains; and sluice valves and hydrants for salt water mains. Bid deadline Jan. 30.

Tender documents may be obtained from the above address for $42.

Additional information may be obtained from General Industrial Equipment Division, BDSA 647, Department of Commerce, Washington, D.C.★ (Telephone: 202-967-5585).

Angola offers peridot deposits to interested U.S. buyers

The Angolan Geology and Mines Service reports that deposits of peridot have been located in the Cuanza-Sul District, specifically in the region of Catanda, 500 kms. south of Luanda and 300 kms. from Lobito.

The Geology and Mines Service is interested primarily in consulting with U.S. buyers. If there is a market for the stones, production could be started as desired by U.S. buyers.

Correspondence, preferred in Portuguese, should be directed to Direccao Provincial dos Servicos de Geologia e Minas, Caixa Postal 1260, Luanda, Angola.

Future Construction

For maximum assistance to those interested in overseas construction projects, U.S. Foreign Service officers report them as soon as possible, often in early planning stages. Some may not reach completion as originally proposed. In such cases additional information is published as it is obtained.

BRAZIL—Bids for construction of Sections 1, 6, 9 and 10 of the Sao Paulo Metro (transportation system) have been called for by Dr. Quintanilha Ribeiro, Pres., Cia. do Metropolitano de Sao Paulo, and the Municipal Secretary of Finance. The remaining sections will probably come up for bidding in December and January.

Bids for the construction of rolling stock will be called for soon.

Two contract awards have been made, one covering 2,100 meters of railway and two stations went to a West German firm, and another for 1,800 meters and two stations to a Japanese firm.

The construction or improvement of seven highways totaling 268 miles in Rio Grande do Sul, Minas Gerais, Parana and Santa Catarina, and two hydroelectric power projects which will add 760 megawatts of generating capacity in the heavily industrialized and populated south-central part of Brazil will be financed by World Bank loans.

A highway loan of $26 million was made to the Government of Brazil.

A loan of $26.6 million was made to Centrais Eletricas de Minas Gerais, S.A. (CEMIG) for the 400 mw Volta Grande power project, and a loan of $22.3 million was made to Central Eletrica de Furnas, S.A. (FURNAS) for the 360 mw Porto Colombia power project.

Source: International Bank for Reconstruction and Development, 1818 H St., NW., Washington, D.C. 20433.

CEYLON—A project to improve Ceylon's public roads will be undertaken with the help of $9.8 million from the International Development Association (IDA).

The project involves rehabilitation and maintenance works, replacement of bridges, reorganization of highway administration and studies of future highway investment possibilities.

The area will be the southern division of the Public Works Department in which there are 1,500 miles of roads of all types. Equipment will be provided for a new central workshop which is being built in Colombo to carry out major repairs and overhaul of the country's maintenance equipment.

Source: International Bank for Reconstruction and Development (International Development Association), 1818 H St., NW., Washington, D.C. 20433.

GUYANA—A World Bank loan equivalent to $5 million to Guyana will be used for the first phase of a 12-yr. sea defense program to provide protection against erosion and flooding of the fertile coastal plains which lie below set level.

The project consists of the construction of about five miles of masonry/concrete sea walls of various types; the purchase of equipment to extend the scope of coastal erosion research and hydrographic studies; and technical and economic studies to prepare projects, on the basis of economic priority, for later phases of the program.

The Ministry of Works and Hydraulics will be responsible for the execution of the project.

Contracts for construction and procurement will be awarded after international competitive bidding.

Engineering consultants will be retained to review specifications and documents, administer contracts and supervise construction.

Source: International Bank for Reconstruction and Development, 1818 H St., NW., Washington, D.C. 20433.

NIGER—A program to provide for the purchase of maintenance and shop equipment, the extension and improvement of workshops and stores, and the training of maintenance personnel will be financed with the assistance of a $6.12 million IDA loan.

The Department of Public Works will execute the program which will eliminate the backlog of maintenance work and provide a sound base for new work. It will reduce vehicle operating costs and also expenditures required in the future for routine maintenance and road rehabilitation and construction.

Part of the IDA credit will be used for feasibility studies, to be carried out by consultants, of about 180 miles of roads with subsequent detailed engineering and preparation of bidding documents for about 90 miles of high priority sections to be selected by the Government and IDA.

Source: IDA, 1818 H St., NW., Washington, D.C. 20433.

TOGO—A $3.7 million credit from the International Development Association (IDA) for a road maintenance program and pre-investment studies provides for the purchase of maintenance and workshop equipment, on-the-job training and the assistance of consultants who will be retained by the Government to undertake feasibility studies of about 270 miles of secondary roads with subsequent detailed engineering and the preparation of bidding documents for about 180 miles, if found to be technically feasible and of high economic priority.

The maintenance program will be carried out by the Department of Public Works with the assistance of consultants.

Source: International Development Association, 1818 H St., NW., Washington, D.C. 20433.

ZAMBIA—World Bank loans totaling $16 million will assist Zambia in launching a **long-range forestation program to meet industry's requirements for wood and in rebuilding 235 miles of the Great North Road** which forms part of the Tanzam Highway linking the Zambian copperbelt with the Tanzanian port of Dar es Salaam.

The upgrading and resurfacing of the Great North Road so that it can withstand the increased volume of traffic it is now bearing and establishment by 1993 of 30,000 acres of eucalypt and 75,000 acres of pine plantations located within the copper mining region are measures to be undertaken.

Source: International Bank for Reconstruction and Development, 1818 H St., NW., Washington, D.C. 20433.

New Books and Reports

Commerce outlines export markets for U.S. products

Export Market Guides are prepared by the Commerce Department's Bureau of International Commerce to outline the market for a product in an individual country.

Although planned as an informational tool in conjunction with specific U.S. Trade Center shows and international fairs, the Guides are also of interest to readers seeking information about a particular foreign market.

Recent titles are:

Japan—packaging machinery and equipment.

Scandinavia—electronic components.

Yugoslavia—agricultural and food processing equipment.

Thailand—paper converting and printing equipment.

Italy—industrial and public security equipment.

Scandinavia—electronic components.

Japan—advanced analytical/laboratory equipment.

Mexico—machine tools.

The Export Market Guides may be ordered, at 10 cents each, from Sales & Distribution, Room 2119, Department of Commerce, Washington, D.C. 20230, or from any Commerce Field Office.

Commerce Directory lists free-world aluminum makers

The U.S. Department of Commerce has published a directory of free-world producers of aluminum to help U.S. business boost export sales to the international metals industry.

The 23-page directory lists about 300 known companies and plants in 58 countries, chiefly in Western Europe and Japan. It is designed for use by the U.S. aluminum industry and firms supplying the full range of aluminum production materials, equipment and services.

It includes a listing of parent or affiliated firms with U.S. mailing addresses and, where available, such data as estimated annual plant capacity, affiliations with other companies, and kinds of equipment used.

Foreign Free World Producers of Aluminum Primary Ingot, Sheet, Plate, Foil and Extrusions was prepared by the Aluminum and Magnesium Division of the Department's Business and Defense Services Administration (BDSA). Copies are available without charge from the U.S. Department of Commerce, Sales and Distribution Branch, Room 2119, Washington, D.C. 20230, or through any of the Commerce Department's 42 Field Offices.

***Little Known Facts About Japanese and Americans.* By Howard F. Van Zandt. Published by Charles E. Tuttle Co., Inc., Tokyo. 1968. $1.25.**

This paperback book attempts to orient U.S. businessmen to the ways of doing business in Japan. The author, former president of the American Chamber of Commerce in Japan and presently a member of the board of governors, discusses the programs which AmCham Japan is conducting to bring U.S. and Japanese business communities closer together. These include periodic briefings on a variety of economic and commercial subjects, special seminars, information reports, liaison with the U.S. Embassy in Tokyo, and special studies on such subjects as wage and employment practices in Japan.

Write: Charles E. Tuttle Co., Inc., 2-6 Suido 1-chome, Bunkyo-ku, Tokyo, Japan.

***Overseas Business Reports.* U.S. Department of Commerce. Washington, D.C. 1968. $16 per year. ($5 additional for overseas mailing), 15 cents per copy.**

The Business Machines Industry in Japan, 1962-67. OBR 68-88. 48pp. Industry background, production, exports and imports, computers, distribution, technology, and trade regulations and policies are the main topics covered in this OBR. Numerous tables are included.

Basic Data on the Economy of Nigeria. OBR 68-90. 21pp. General information is presented on the geography, population, government, economic structure, industrial sectors, labor force, finance, foreign trade, development planning, and outlook for the economy.

Best Prospects for U.S. Exports to Ivory Coast. OBR 68-94. 7pp. Best prospects are listed in agriculture, construction, food processing and packaging, pulp and paper industry, electric power and others.

Write: any Department of Commerce Field Office or Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

***Food and Agricultural Export Directory—1969.* FAS M-201. Published by the U.S. Department of Agriculture. Washington, D.C. 1968. 44pp. Free.**

Market information, field assistance, shipping services, financing, and other types of help can be obtained from public and private sources in almost all parts of the country. This directory brings these sources together, with a brief description of the function of each.

Listed are: federal government export promotion services, state government agencies active in the field, port authorities, trade associations, combination export managers, transportation services, and publications of interest to exporters.

Write: Information Service Branch, Room 5918, Foreign Agricultural Service, U.S. Department of Agriculture, Washington, D.C. 20250.

***Korean Trade News.* Published by the Korean Traders Assn. New York. $90 per year, $45 for 6 months, $8 for 1 month.**

Issued six times per week, Monday through Saturday, this newsletter reports current trade and investment regulations, announcements for biddings, all statistics for import-export customs clearances, and other pertinent information. The publication is planned to aid U.S. businessmen in their dealings with Korean buyers and exporting firms.

Sample copies of recent issues are available.

Write: T.W. Suh, Korean Traders Assn., 11 East 44th St., New York, N.Y. 10017.

***Plastics in Europe Today.* Modern Plastics, Vol. 45, Sept. 1968, pp. 139-168. New York. $1.50 per issue.**

European plastics markets and applications and processing country-by-country are surveyed in this report. Developments relating to markets, materials, machinery, and trade opportunities are discussed.

The data cover primarily the years 1966 and 1967, and include type of material, production consumption, and foreign trade.

Write: Modern Plastics, 1301 Avenue of the Americas, New York, N.Y. 10019.

☆ U. S. GOVERNMENT PRINTING OFFICE 1968—341-958/24

Calendar *for international traders*

CHICAGO—Jan. 7—In-Office Meeting, Commerce Field Office.

CHICAGO—Jan. 9—Int'l Trade Club of Chicago, LaSalle Hotel.

CHICAGO—Jan. 14—First of 7 weekly seminars on Principles & Techniques in Exporting, Light Center, 140 S. Dearborn St., 6:15 p.m. Sponsor: Int'l Trade Club.

CHICAGO—Jan. 14—Automotive Exporters' Club of Chicago, Builders' Bldg.

CLEVELAND—Jan. 2—International Trade Luncheon Meeting, American Room, Mid-Day Club, Union Commerce Bldg., 12 noon. Sponsor: Cleveland World Trade Assn.

HONOLULU—Jan. 2—Businessmen's Consultation, **Roger Severance, Commercial Attache, posted to Tokyo.** Sponsor: Commerce Field Office.

HOUSTON—Jan. 13—Businessmen's Consultation, **T. Patrick Killough, Commercial Officer, Kabul.** Sponsor: Commerce Field Office.

LOS ANGELES—Jan. 9—Businessmen's Consultation, **Hal Ryerson, Commercial Attache, Bogota.** Sponsor: Commerce Field Office.

MIAMI—Jan. 16—Businessmen's Consultation, **Hal Ryerson, Commercial Attache, Bogota.** Sponsor: Commerce Field Office.

MILWAUKEE—Jan. 9—Milwaukee World Trade Club monthly meeting, Holiday Inn Central. Panel discussion on Protectionism vs. Free Trade.

NEW YORK—Jan. 7—FCIB Roundtable Conference on Foreign Finance Credit, Collection & Exchange Problems, Advertising Club, 1:30 p.m.

NEW YORK—Jan. 14—International Executives Assn. luncheon, Hotel Statler Hilton. Speaker: T. Graydon Upton, exec. vice pres., Inter-American Development Bank.

PITTSBURGH—Jan. 16—In-Office Export Workshop, Commerce Field Office, 2 p.m.

SAN FRANCISCO—Dec. 30—Businessmen's Consultation, **Roger Severance, Commercial Officer, posted to Tokyo.** Sponsor: Commerce Field Office.

SAN FRANCISCO—Jan. 15—General Export Seminar, Rm. 13216B, New Federal Bldg., 9:30 a.m.

VENTURA, Cal.—Jan. 15—Export Workshop—Profit & Growth Through Export Sales, The Admiral's Table, 8:45 a.m.-3:30 p.m. Sponsors: Commerce Los Angeles Field Office, Small Business Admin., Pan American Airways, State of California World Trade Authority.

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

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ATLANTA, GA., 30303, 4th Floor Home Savings Bldg., 75 Forsyth St. N.W. Area Code 404 Tel. 526-6000.

BALTIMORE, MD., 21202, 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301 Tel. 962-3560.

BIRMINGHAM, ALA., 35205, Suite 200-201, 908 S. 20th St. Area Code 205 Tel. 325-3327.

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HONOLULU, HAWAII, 96813, 286 Alexander Young Bldg., 1015 Bishop St. Area Code 808 Tel. 546-5977.

HOUSTON, TEX., 77002, 5102 Federal Bldg., 515 Rusk Ave. Area Code 713 Tel. 226-4231.

JACKSONVILLE, FLA., 32202, P.O. Box 35087, 400 W. Bay St. Area Code 904 Tel. 791-2796.

KANSAS CITY, MO., 64106, Room 2011, 911 Walnut St. Area Code 816 Tel. 374-3141.

LOS ANGELES, CALIF., 90015, Room 450, Western Pacific Bldg., 1031 S. Broadway. Area Code 213 Tel. 688-2833.

MEMPHIS, TENN., 38103, 710 Home Federal Bldg., 147 Jefferson Ave. Area Code 901 Tel. 534-3214.

MIAMI, FLA., 33130, Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305 Tel. 350-5267.

MILWAUKEE, WIS., 53203, Straus Bldg., 238 W. Wisconsin Ave. Area Code 414 Tel. 272-8600.

MINNEAPOLIS, MINN., 55401, 306 Federal Bldg., 110 S. Fourth St. Area Code 612 Tel. 334-2131.

NEW ORLEANS, LA., 70130, 909 Federal Office Bldg., S., 610 South St. Area Code 504 Tel. 527-6546.

NEW YORK, N.Y., 10007, 41st Floor, Federal Office Bldg., 26 Federal Plaza, Foley Sq. Area Code 212 Tel. 264-0634.

PHILADELPHIA, PA., 19107, Jefferson Bldg., 1015 Chestnut St. Area Code 215 Tel. 597-2850.

PHOENIX, ARIZ., 85025, 5413 New Federal Bldg., 230 N. First Ave. Area Code 602 Tel. 261-3285.

PITTSBURGH, PA., 15222, 2201 Federal Bldg., 1000 Liberty Ave. Area Code 412 Tel. 644-2850.

PORTLAND, ORE., 97204, 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503 Tel. 226-3361.

RENO, NEV., 89502, 2028 Federal Bldg., 300 Booth St. Area Code 702 Tel. 784-5203.

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SALT LAKE CITY, UTAH, 84111, 3235 Federal Bldg., 125 S. State St. Area Code 801 Tel. 524-5116.

SAN FRANCISCO, CALIF., 94102, Federal Bldg., Box 36013, 450 Golden Gate Ave. Area Code 415 Tel. 556-5864.

SAN JUAN P.R., 00902, Room 100, Post Office Bldg. Phone 723-4640.

SAVANNAH, GA., 31402, 235 U.S. Courthouse and Post Office Bldg., 125-29 Bull St. Area Code 912 Tel. 232-4321.

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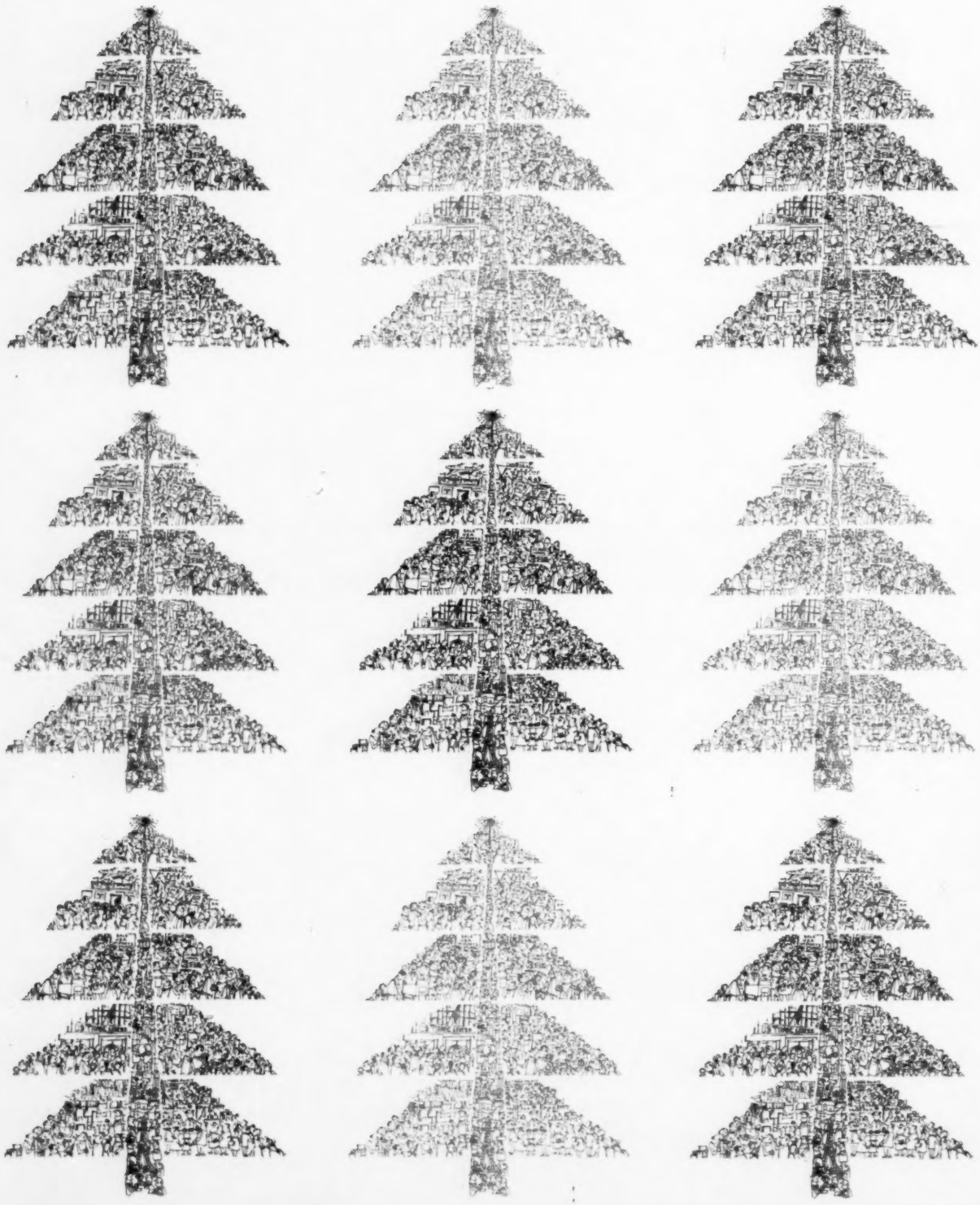
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